

**SUBMISSION COVER SHEET**

**IMPORTANT:** Check box if Confidential Treatment is requested

Registered Entity Identifier Code (optional): 15-504 (2 of 4)

Organization: The Board of Trade of the City of Chicago, Inc. ("CBOT")

Filing as a:  DCM  SEF  DCO  SDR

Please note - only ONE choice allowed.

Filing Date (mm/dd/yy): December 11, 2015 Filing Description: Modifications to the Latin America Fund Manager Incentive Program

**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: **Not Applicable**

**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:



Christopher Bowen  
Managing Director and Chief Regulatory Counsel  
Legal Department

December 11, 2015

**VIA ELECTRONIC PORTAL**

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

**RE: Modifications to the Latin America Fund Manager Incentive Program  
CBOT Submission No. 15-504 (2 of 4)**

Dear Mr. Kirkpatrick:

Chicago Mercantile Exchange Inc. ("CME"), The Board of Trade of the City of Chicago, Inc. ("CBOT"), New York Mercantile Exchange, Inc. ("NYMEX"), and Commodity Exchange, Inc. ("COMEX") (collectively, the "Exchanges") hereby notify the Commodity Futures Trading Commission ("CFTC" or "Commission") that they plan to modify the Latin America Fund Manager Incentive Program ("LAFMIP" or "Program"). The modifications to the Program will become effective on January 1, 2016.

Exhibit 1 sets forth the terms of the Program. The modifications appear below, with additions underscored and deletions ~~overstruck~~.

The Exchanges reviewed the designated contract market core principles ("Core Principles") as set forth in the Commodity Exchange Act ("CEA"). During the review, the Exchanges' 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 and the proposed modifications will not impact the Exchanges' ability to perform its trade practice and market surveillance obligations under the CEA. The Exchanges' market regulation staff will monitor trading in the products in order to prevent manipulative trading and market abuse. The incentives in the Program do not impact the Exchanges' order execution. Participants in the Program will be selected by the Exchanges' staff using criteria as further stated in Exhibit 1. Chapter 4 of the Exchanges' rules includes prohibitions against fraudulent, non-competitive, unfair or abusive practices. The Program is subject to these rules. The Program will be subject to the Exchanges' record retention policies which comply with the CEA.

The Exchanges certify that the Program complies with the CEA and the regulations thereunder. There were no substantive opposing views to this Program or the modifications to the 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>.

If you require any additional information regarding this submission, please e-mail [CMEGSubmissionInquiry@cmegroup.com](mailto:CMEGSubmissionInquiry@cmegroup.com) or contact Rachel Johnson at 312-466-4393 or via e-mail at [Rachel.Johnson@cmegroup.com](mailto:Rachel.Johnson@cmegroup.com). Please reference our CBOT Submission No. 15-504 (2 of 4) in any related correspondence.

Sincerely,

/s/ Christopher Bowen  
Managing Director and Chief Regulatory Counsel

Attachment: Exhibit 1

# EXHIBIT 1

## LATIN AMERICA FUND MANAGER INCENTIVE PROGRAM

### Program Purpose

The purpose of this Program is to incentivize Fund Managers in Latin American countries to trade the products listed below on the CME Globex Platform. The resulting increase in liquidity in the products listed below benefits all participant segments in the market.

### Product Scope

All CME, CBOT, NYMEX, and COMEX products available for trading on the Globex Platform (“Products”).

### Eligible Participants

There is no limit to the amount of participants that may be selected in the Program. All approved CME, CBOT, NYMEX and COMEX non-members may participate. Additionally participants must meet the following criteria.

To qualify for LAFMIP, a Fund Manager must:

- Be located in a Latin American country. (See below)
- Have assets under management of at least US\$100 million.
- Be registered and licensed by the government regulator in their respective country in Latin America and must submit to the Exchanges all related documentation of such registrations and licenses.
- Have all traders physically located in Latin America.
- Complete a LAFMIP application and be approved by the Exchanges.
- Register Approved Funds with the Exchanges. Approved Fund accounts will receive discounted fees only on fund accounts that are solely managed by the LAFMIP participating Fund Manager. The LAFMIP participant must submit documentation showing they are the authorized manager of the fund account applying for discounted fees.
- Trade the account of a hedge fund, certain specialized government-sponsored pension funds, commodity pool or other collective investment vehicle. Individual managed accounts, private pension funds and mutual funds do not qualify for the program.
- Execute all trades in the name of the Approved Fund account managed by the qualified LAFMIP firm.
- Register all participating traders who must be owners, bona fide employees or independent contractors of the LAFMIP participant.

Fund managers from the following countries qualify for the LAFMIP:

Argentina	French Guiana	Uruguay
Belize	Guatemala	Venezuela
Bolivia	Guyana	
Brazil	Honduras	
Chile	Mexico	
Colombia	Nicaragua	
Costa Rica Mexico	Panama	
Dominican Republic	Paraguay	
Ecuador	Peru	
El Salvador	Suriname	

## **Program Term**

Start date is December 4, 2011. End date is ~~December 31, 2015~~ December 31, 2016.

## **Hours**

The incentives will apply to all trades made in the Products regardless of the execution time.

## **Program Incentives**

Once accepted into the Program, participants will be eligible to receive the following incentives:

Fee Discounts. Participants will be eligible to receive discounted fees for the Products that are traded on Globex in accordance with the following table:

<b>Product Category (For Executed trades on Globex only)</b>	<b>FMIP fees (per side)</b>
<b>CME Products</b>	
E-mini Equity Index – Futures	\$0.76
E-mini Equity Index – Options	<del>\$0.445</del> <u>\$0.45</u>
Full Size Equity Index – Futures	<del>\$1.55</del> <u>\$1.60</u>
Full Size Equity Index – Options	\$1.50
<del>E-micro Equity Index Contracts</del>	<del>\$0.50</del>
<u>Nikkei Futures</u>	<u>\$1.55</u>
<u>E-mini NIFTY 50 Index Futures</u>	<u>\$0.76</u>
USD Ibovespa Futures	\$1.26
Interest Rate Futures	\$0.44
Interest Rate Eurodollar and European Options	\$0.44
<del>Fixed Income Index Products</del>	<del>\$0.59</del>
2-Year Eurodollar Bundle Futures	\$3.52

3-Year Eurodollar Bundle Futures	\$5.28
5-Year Eurodollar Bundle Futures	\$8.80
2-Year Eurodollar Bundle Options	\$2.89
3-Year Eurodollar Bundle Options	\$4.22
5-Year Eurodollar Bundle Options	\$6.87
Foreign Exchange – Full Size Futures	\$1.00
Foreign Exchange – Options	\$1.00
Foreign Exchange – E-mini Contracts	\$0.54
Foreign Exchange – E-micro Contracts	\$0.10
Foreign Exchange Variance Futures	\$0.07
Agricultural Contracts – Futures	\$1.50
Agricultural Contracts – Options	<del>\$0.81</del> <u>\$1.50</u>
Weather Contracts	<del>\$0.245</del> <u>\$0.25</u>
<b>CBOT Products</b>	
Mini Equity Contracts **	\$0.75
<del>Full Size Equity Contracts</del>	<del>\$0.90</del>
\$10-Dow Products	\$0.57
DJ U.S. Real Estate Index Futures	\$0.75
Interest Rates Contracts	\$0.49

<u>Other Financial Products</u>	<u>\$0.49</u>
Deliverable IR Swap Futures	\$0.49
Full Size Agricultural Contracts	\$1.45
Mini Agricultural Contracts	\$0.90
ICS & CS Agricultural Options	\$2.06
<b>NYMEX Products</b>	
Energy Contracts (Physicals) on CME Globex	\$1.10
<u>NYMEX Metals (PL, PA, PO, PAO)</u>	<u>\$1.10</u>
<b>COMEX Products</b>	
Metals Futures Contracts (Physicals) on CME Globex	\$1.10

\*\* For CBOT Mini Dow product only

**Monitoring and Termination of Status**

The Exchanges shall monitor trading activity shall retain the right to revoke Program participant status if it concludes from review that a Program participant no longer meets the eligibility requirements of the Program.