

SUBMISSION COVER SHEET

IMPORTANT: Check box if Confidential Treatment is requested

Registered Entity Identifier Code (optional): 23-167

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): April 10, 2023 Filing Description: Modifications to the Agriculture Calendar Spread Options 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:

April 10, 2023

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 Agriculture Calendar Spread Options Incentive Program
CBOT Submission No. 23-167**

Dear Mr. Kirkpatrick:

The Board of Trade of the City of Chicago, Inc. ("CBOT" or "Exchange") hereby notifies the Commodity Futures Trading Commission ("CFTC" or "Commission") of plans to modify the Agriculture Calendar Spread Options Incentive Program ("Program"). The modifications to the Program will become effective on May 1, 2023.

Exhibit 1 sets forth the terms of this Program. Modifications appear below, with additions underlined and deletions ~~overstruck~~.

The Exchange reviewed the designated contract market core principles ("Core Principles") as set forth in the Commodity Exchange Act ("CEA" or "Act"). During the review, CBOT staff identified the following Core Principles as potentially being impacted: Monitoring of Trading, Execution of Transactions, Protection of Market Participants, Availability of General Information, Compliance with Rules, and Recordkeeping.

The Program does 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 in 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 CBOT 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 CBOT rules. The Program is subject to the Exchange's record retention policies which comply with the CEA.

CBOT 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 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 CBOT Submission No. 23-167 in any related correspondence.

Sincerely,

/s/ Christopher Bowen
Managing Director and Chief Regulatory Counsel

Attachment: Exhibit 1

EXHIBIT 1

Agriculture Calendar Spread Options Incentive Program

Program Purpose

The purpose of this Program is to build liquidity in agriculture calendar spread options (“CSOs”). The resulting increase in liquidity on the central limit order book benefits all participant segments in the market.

Product Scope

All Agriculture CSOs Consecutive Corn CSO (“PYC”), Consecutive Soybean CSO (“ZSC”), Soybean July-Nov CSO (“SC5”), Corn July-Dec CSO (“CC6”), and Consecutive Chicago SRW Wheat CSO (“WZC”) that are traded on the CME Globex Platform or cleared through CME ClearPort (“Products”).

Eligible Participants

CBOT may designate up to seven (7) participants in the Program. Participants may be CBOT equity members, individual members, or non-member hedge funds or proprietary trading firms. Potential participants are required to submit an application/bid sheet to the Exchange as part of a competitive selection process which is used to determine eligibility. In determining whether or not a prospective participant is selected to participate in the Program, Exchange staff may take into account a variety of factors including the prospective participant’s overall historical volume in the Products and the prospective participant’s ability to maintain threshold volume obligations for the duration of the Program. The Exchange may, from time to time, add or subtract from the aforementioned requirements as it deems necessary.

Program Term

Start date is April 1, 2021. End date is ~~April 30, 2023~~ April 30, 2024.

Hours

N/A

Obligations

Member RFQ Obligations: In order to be eligible to receive the Member Fee Credits, member participants must respond to at least 70% of requests for quotes (“RFQs”) in ten (10) minutes or less. Any trading days with 100% more unique RFQs than the one (1) month average will be removed from the obligations.

Non-Member Volume Obligations: In order to be eligible to receive the Non-Member Level 1 Fee Discounts, non-member participants must have a rolling three (3) month average of at least 700 round-turns in the Products per month.

Non-Member RFQ Obligations: In order to be eligible to receive the Non-Member Level 2 Fee Discounts, non-member participants must respond to at least 50% of RFQs in ten (10) minutes or less. Any trading days with 100% more unique RFQs than the one (1) month average will be removed from the obligations.

Holiday Quoting Schedule: There will be no quoting obligations on the dates listed below. The Holiday Quoting Schedule may be adjusted by the Exchange. Participants will be given notice of any adjustments to the Holiday Quoting Schedule.

Date	Holiday
4/15/2022	Good Friday
5/30/2022	Memorial Day
6/20/2022	Juneteenth (Observed)
7/4/2022	Independence Day
9/5/2022	Labor Day
11/24/2022	Thanksgiving
12/26/2022	Christmas (Observed)
1/2/2023	New Year's (Observed)
1/16/2023	Birthday of Martin Luther King, Jr.
2/20/2023	Presidents' Day
4/7/2023	Good Friday
5/29/2023	Memorial Day
6/19/2023	Juneteenth
7/4/2023	Independence Day
9/4/2023	Labor Day
11/23/2023	Thanksgiving
12/25/2023	Christmas
1/1/2024	New Year's
1/15/2024	Birthday of Dr. Martin Luther King, Jr.
2/19/2024	Presidents' Day
3/29/2024	Good Friday

Incentives

Member Fee Credits: Upon meeting the Member RFQ Obligations, as determined by the Exchange, member participants will receive a \$0.45 \$1.50 credit for each Product traded.

Non-Member Level 1 Fee Discounts*: Upon meeting **only** the Non-Member Volume Obligations, as determined by the Exchange, non-member participants will receive the following discounts in the Products:

Product Type	Venue	Level 1 Fee Charged
CSO	Globex	\$1.75
CSO	Block	\$2.25
Future	Globex	\$1.00
Future	Block	\$1.90

Non-Member Level 2 Fee Discounts*: Upon meeting **both** the Non-Member Volume Obligations **and** Non-Member RFQ Obligations, as determined by the Exchange, non-member participants will receive the following discounts in the Products**:

Product Type	Venue	Level 2 Fee Charged
CSO	Globex	\$1.50
CSO	Block	\$2.00
Future	Globex	\$0.96
Future	Block	\$1.85

*Non-Member futures discounts are capped at three (3) futures for every one (1) CSO contract.

**Non-Members will automatically receive the Non-Member Level 2 Fee Discounts during the first month of enrollment in the Program.

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 no longer meets the eligibility requirements or obligations of the Program.