

SUBMISSION COVER SHEET

IMPORTANT: Check box if Confidential Treatment is requested

Registered Entity Identifier Code (optional): 23-292 (1 of 4)

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

Filing as a: DCM SEF DCO SDR

Please note - only ONE choice allowed.

Filing Date (mm/dd/yy): July 17, 2023 Filing Description: Modifications to the Central Bank 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: N/A

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:

July 17, 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 Central Bank Incentive Program
CME Submission No. 23-292 (1 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") of modifications to the Central Bank Incentive Program ("CBIP" or "Program"). The modifications to the Program will become effective on August 1, 2023.

Exhibit 1 sets forth the terms of the Program. Modifications appear below, with additions underlined 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: Monitoring of Trading, Execution of Transactions, Protection of Market Participants, Compliance with Rules, Availability of General Information, and Recordkeeping.

The Program's incentive structure does not impact the Exchanges' ability to perform their trade practice and market surveillance obligations under the CEA. The Exchanges' market regulation staff will monitor trading in the Program's products 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 is 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 proposed modifications.

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 or contact Rachel Johnson at 312-466-4393 or via e-mail at Rachel.Johnson@cmegroup.com. Please reference our CME Submission No. 23-292 in any related correspondence.

Sincerely,

/s/ Christopher Bowen
Managing Director and Chief Regulatory Counsel

Attachment: Exhibit 1

EXHIBIT 1

CENTRAL BANK INCENTIVE PROGRAM

Program Purpose

The purpose of this Program is to incentivize Central Banks located outside of the United States to trade the products listed below. The resulting increase in liquidity in the products listed below benefits all participant segments in the market.

Product Scope

Certain CME, CBOT, NYMEX, and COMEX products available for trading on the CME Globex Platform, and all CME Interest Rate Options traded via Open Outcry (“Products”).

Eligible Participants

There is no limit to the number of participants that may participate in the Program. All non-U.S. central banks, multilateral development banks, multilateral financial institutions, sub-regional banks, aid coordination groups, and international organizations of central banks may apply for participation.

Program Term

Start date is July 1, 2013. End date is ~~July 31, 2023~~ January 31, 2024.

Hours

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

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 in accordance with the following:

GLOBEX

Product Category (For executed trades on Globex only)	Central Bank Incentive Program Participant Fees (Per Side)
CME Products	
E-mini Equity Index Futures – Outrights	\$1.07 <u>\$1.20</u>
E-mini Equity Index – Options	\$0.50 <u>\$0.53</u>
Micro E-Mini Equity Index Futures – Outrights	\$0.22 <u>\$0.29</u>

Micro E-Mini Equity Index Futures – Spreads	\$0.22 <u>\$0.29</u>
Micro E-mini Equity Index Options – Outrights	\$0.14 <u>\$0.17</u>
Micro E-mini Equity Index Options – Spreads	\$0.11 <u>\$0.13</u>
Bitcoin Futures – Outrights, Spreads	\$5.50 <u>\$5.75</u>
Bitcoin Options	\$4.85 <u>\$4.93</u>
Interest Rate Futures – <u>Front Months</u>	\$0.75 <u>\$1.00</u>
<u>Interest Rate Futures – Back Months</u>	<u>\$0.85</u>
Interest Rate Options	\$0.60 <u>\$0.75</u>
Full Size Foreign Exchange – Futures (excluding FX Link)	\$1.00 <u>\$1.30</u>
Full Size Foreign Exchange – Options	\$1.00 <u>\$1.30</u>
CBOT Products	
E-mini Dow/DJ U.S. Real Estate	\$1.07 <u>\$1.20</u>
Micro E-Mini Dow	\$0.22 <u>\$0.29</u>
Micro Treasury Yield Futures	\$0.27 <u>\$0.29</u>
TBA Futures	\$0.55 <u>\$0.63</u>
Ultra U.S. Treasury Bond Futures	\$0.80 <u>\$0.88</u>
U.S. Treasury Options	\$0.53 <u>\$0.69</u>
2-Year & 3-Year U.S. Treasury Futures	\$0.64 <u>\$0.63</u>
5-Year U.S. Treasury Futures	\$0.64 <u>\$0.63</u>
10-Year & Ultra 10-Year U.S. Treasury Futures	\$0.70 <u>\$0.75</u>

All other U.S. Treasury Bond Futures	\$0.77 <u>\$0.82</u>
Fed Fund Contracts	\$0.60 <u>\$0.78</u>
Full Size Agricultural Contracts*	\$1.72 <u>\$1.91</u>
NYMEX Products	
Energy Contracts (Physicals) on CME Globex (CL, LO, HO, OH, RB, OB, NG, LN, ON)*	\$1.27 <u>\$1.39</u>
NYMEX Metals (PL, PA)*	\$1.27 <u>\$1.41</u>
COMEX Products	
Metals Futures Contracts (Physicals) on CME Globex (GC, SI, HG)*	\$1.27 <u>\$1.41</u>
Gold (Enhanced Delivery) Futures	\$1.27 <u>\$1.41</u>

*For the products denoted with an asterisk above, Globex TAS transactions will be excluded from the Program upon implementation by the Exchanges.

OPEN OUTCRY

Product Category (For executed trades via Open Outcry only)	Central Bank Incentive Program Participant Fees (Per Side)
CME Products	
Interest Rate Options	\$0.60 <u>\$0.68</u>

Monitoring and Termination of Status

The Exchanges 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 fails to meet the obligations of the Program.