



Maureen Guilfoile
Managing Director and Chief Regulatory Counsel
Legal Department

September 10, 2026

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 TBA Futures Market Maker Program
CBOT Submission No. 26-456**

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 TBA Futures Market Maker Program ("Program"). The modifications to the Program will become effective on October 1, 2026.

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

CBOT reviewed the designated contract market core principles ("Core Principles") as set forth in the Commodity Exchange Act ("CEA"). During the review, CBOT 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 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.

Sincerely,

/s/ Maureen Guilfoile
Managing Director and Chief Regulatory Counsel

Attachment: Exhibit 1

EXHIBIT 1

TBA Futures Market Maker Program

Program Purpose

The purpose of this Program is to encourage participants to support the development of the products listed below. More liquid contracts on the central limit order book benefits all participants in the marketplace.

Product Scope

All TBA Futures ("Products").

Eligible Participants

The Exchange may designate up to seven (7) participants for the Program. Participants must be CBOT members. Prospective participants are required to submit an application/bid sheet to the Exchange as part of a competitive application process which is used to determine eligibility. In determining whether a prospective participant is selected to participate in the Program, Exchange staff may take into account a variety of factors including the strength of the quoting obligations the prospective participant is willing to commit to provide, whether Exchange staff believes that the prospective participant can maintain such obligations, and historical volume trading the Products. The Exchange may, from time to time, add or subtract from the aforementioned requirements as it deems necessary.

Program Term

Start date is November 7, 2022. End date is ~~September 30, 2026~~ September 30, 2027, or the date on which the Exchange determines to modify, extend, or terminate the Program. Participants will be given notice of any changes to the Program Term.

Hours

RTH (7:00AM – 4:00PM CT).

Obligations

Minimum Quoting Obligations: In order to be eligible to receive incentives, each calendar month participants must quote continuous two-sided markets in the Products at maximum bid/ask spreads and minimum quote sizes in accordance with the baseline quoting obligations set forth in the tables below. ~~Participants must quote both Modules. Participants may choose to quote any instrument(s) from each Module.~~ Notwithstanding the foregoing, the Exchange may vary the quoting obligations as it deems necessary based on ongoing evaluations of the Program.

Module 1

Product	Width (Minimum Price Increment “MPI”)	Size (Contracts)	Time-in-Market (“TIM”)	Time Period (CT)
All TBA Futures – Month 1 and Month 2	15	50	Each month, participants need to achieve a TIM percentage equivalent to at least 47.25 hours times days with active obligations divided by the instrument- hours available to quote for the Module (rounded down to the nearest percentage point)	7:00AM – 4:00PM CT
All TBA Futures –Month 2	15	50		
All TBA Futures – Month 1 and Month 2 Calendar Spreads	8	50	Over the ten (10) trading days prior to the last trade date of the expiring contract, participants need to achieve a TIM percentage equivalent to at least 40.5 hours times days with active obligations divided by the instrument- hours available to quote for the Module (rounded down to the nearest percentage point)	7:00AM – 4:00PM

Module 2

Product	Width (MPI)	Size (Contracts)	TIM	Time Period
All TBA Futures – Calendar Spreads	8	50	Over the ten (10) trading days prior to the last trade date of the expiring contract, participants need to achieve a TIM percentage equivalent to at least 40.5 hours times days with active obligations divided by the instrument hours available to quote for the Module (rounded down to the nearest percentage point)	7:00AM – 4:00PM CT

~~**RFQ Obligations:** In order to be eligible to receive certain incentives, participants must respond to at least 50% of Globex electronic requests for quotes (“RFQs”) for the Products during RTH. A response is~~

~~defined as a two-sided quote that meets the size and width requirements specified below and is provided within the specified response time of the RFQ being sent, as follows:~~

Product	Transaction Type	Width (MPI)	Size (Contracts)	Response Time	Response Rate	Time Period
All TBA Futures	Outrights	46	50	1 minute	50%	7:00AM – 4:00PM CT
	Calendar Spreads	8	50			
	Coupon Swaps	46	50			

Extreme Events Clause: If 10-Year Treasury CME Group Volatility Index (CVOL) is 170 or greater for at least three (3) days in a given calendar month, the Exchange may increase the width by 1.5X (rounded to the nearest valid tick increment).

If 10-Year Treasury CVOL is 230 or greater on any day in a given calendar month, the Exchange may reduce the time-in-market across all Modules. The time-in-market reduction is subject to a floor of 20%.

Notwithstanding the foregoing, the Exchange may further reduce the bid/ask spreads, sizes, or time-in-market obligations based on ongoing evaluations of market conditions and volatility. Participants will be given notice that the Extreme Events Clause has taken effect.

Holiday Quoting Schedule: There will be no quoting obligations on certain dates designated by the Exchange. Participants will be given notice of the Holiday Quoting Schedule.

Incentives

Fee Waivers: Upon meeting the Minimum Quoting Obligations ~~for Module 1 and Module 2~~, as determined by the Exchange, participants will receive fee waivers for all volume traded in the Products.

Monthly Quoting Stipend: Upon meeting the Minimum Quoting Obligations ~~for Module 1 and Module 2~~, and executing at least 100 sides in the Products during the month, as determined by the Exchange, participants will be eligible for a quoting stipend. Each month all eligible participants will be ranked by volume in the Products. The top five (5) participants will receive an equal share of a \$35,000 monthly stipend, as set forth in the table below.

Number of Qualifying Participants	Stipend Amount
1	\$35,000
2	\$17,500
3	\$11,667
4	\$8,750
5	\$7,000

Outright/ICS Monthly Volume Pool: Upon meeting the Minimum Quoting Obligations ~~for Module 1 and Module 2~~, as determined by the Exchange, participants will receive a pro-rata portion of a ~~\$30,000~~ \$35,000 monthly pool. The pool will be allocated based on each participant's aggregate outright and inter-commodity spread volume in the Products, inclusive of Globex outright, Globex (RI) spreads, Globex (IV) spreads, Globex calendar spreads, Globex (RT) spreads, block outright, block (GN) spreads, EFP, and EFR volume. Spread volume will receive a 1X volume multiplier. All other volume will receive a 2X multiplier.

~~*Calendar Spread Volume Pool:* Upon meeting the Minimum Quoting Obligations for Module 1 and Module 2, as determined by the Exchange, participants will receive a pro-rata portion of a \$10,000 monthly pool. The pool will be allocated based on each participant's aggregate calendar spread volume in the Products, inclusive of Globex (RT) spread volume and block (SP) spread volume.~~

~~*Monthly RFQ Stipend:* Upon meeting the Minimum Quoting Obligations for Module 1 and Module 2, meeting the RFQ Obligations, and responding to at least one (1) RFQ in a given month, as determined by the Exchange, participants will receive a \$3,000 monthly stipend.~~

Monitoring and Termination of Status

The Exchange 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.

If the Exchange determines that a participant has not met its quoting obligations during any two (2) calendar months over the proposed duration of the Program but is within twenty percent (20%) of the time-in-market obligations, the participant will be eligible to receive the incentives for each applicable month.

Excluding the aforementioned relaxed time-in-market leniency, if the Exchange determines that a participant has not met its quoting obligations during any one (1) calendar month over the proposed duration of the Program, the participant will be eligible to receive incentives for that applicable month, with the exception of the Monthly Quoting Stipend(s).

Upon utilizing the leniencies set forth above, participants that fail to meet quoting obligations in any additional month may be removed from the Program.