

**SUBMISSION COVER SHEET**

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

Registered Entity Identifier Code (optional): 23-495

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

Filing as a:  DCM  SEF  DCO  SDR

Please note - only ONE choice allowed.

Filing Date (mm/dd/yy): December 15, 2023 Filing Description: Extension of the CME Livestock Volume Incentive Program

**SPECIFY FILING TYPE**

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: Not Applicable

**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:



Timothy Elliott  
Managing Director and Chief Regulatory Counsel  
Legal Department

December 15, 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: Extension of the CME Livestock Volume Incentive Program  
CME Submission No. 23-495**

Dear Mr. Kirkpatrick:

Chicago Mercantile Exchange Inc. (“CME” or “Exchange”) hereby notifies the Commodity Futures Trading Commission (“CFTC” or “Commission”) of plans to extend the Livestock Volume Incentive Program (“Program”) through January 31, 2025. The extension of the Program will become effective on February 1, 2024. All other Program terms remain unchanged.

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

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, 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. Exchange staff will monitor trading in the Program’s products in order to prevent manipulative trading and market abuse. Additionally, the Exchange has implemented systems to track Program participants’ volume to ensure proper distribution of earned incentives. The Program does not impact the Exchange’s order execution. Participants in the Program will be selected by CME staff using criteria as set forth in Exhibit 1. Chapter 4 of the Exchange rules includes prohibitions against fraudulent, non-competitive, unfair or abusive practices. All participants agree to comply with, and be subject to, applicable regulations and Exchange rules. Additionally, the Program is subject to the Exchange’s record retention policies, which comply with the CEA.

CME 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](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 CME Submission No. 23-495 in any related correspondence.

Sincerely,

/s/ Timothy Elliott  
Managing Director and Chief Regulatory Counsel

Enclosure: Exhibit 1

# EXHIBIT 1

## CME Livestock Volume Incentive Program

### Program Purpose

The purpose of this Program is to incentivize participants to increase liquidity in the futures products listed below. More liquid contracts on the central limit order book benefit all participants in the marketplace.

### Product Scope

Live Cattle Futures (“LE”), Lean Hog Futures (“HE”), Feeder Cattle Futures (“GF”), and Pork Cutout Futures (“PRK”) traded on the CME Globex Platform (“Products”).

### Eligible Participants

There is no limit to the number of participants that may participate in the Program. This Program is open to individual members, member firms who are clearing members, Rule 106.J. equity members, Rule 106.I. member firms, Rule 106.S. member approved funds, and Rule 106.D. lessees.

### Program Term

Start date is February 1, 2020. End date is ~~January 31, 2024~~ January 31, 2025.

### Hours

N/A

### Obligations

Participants must meet certain volume thresholds, as determined by the Exchange, in order to receive the incentives.

### Incentives

*Fee Discounts:* Upon meeting all eligibility requirements and obligations, as determined by the Exchange, each participant is eligible to receive tiered fee discounts in accordance with the following:

#### Member Firms\*

Tier	Monthly Average Daily Volume (“ADV”) Thresholds	Fee Discount
	0 – 1,000	N/A
1	1,001 – 2,500	\$0.16
2	2,501 – 7,500	\$0.21
3	7,501 +	\$0.26

\*Accumulation is aggregated by account owner(s) across accounts within a single billing firm. Clearing members and their related Rule 106.I. member(s) will be treated as one (1) firm. Rule 106.S. member approved funds will be aggregated with their related Rule 106.J. equity member.

**Individual Members\*\***

Tier	Monthly ADV Thresholds	Fee Discount
	0 – 500	N/A
1	501 – 1,000	\$0.16
2	1,001 – 1,500	\$0.21
3	1,501 +	\$0.26

\*\*Accumulation is per trading account under a single billing firm.

**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 requirements of the Program.