

**FMX Futures Exchange, L.P.**  
**Implementation of the FMX 2-Year U.S. Treasury Note Futures Market Maker Incentive Program**  
**Submission #2025-11**  
**May 8, 2025**

**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

1. FMX Futures Exchange, L.P. (“FMX” or the “Exchange”) hereby certifies to the Commodity Futures Trading Commission (“CFTC” or “Commission”) its plans to implement the FMX 2 Year U.S. Treasury Note Futures Market Maker Incentive Program of FMX (“Program”) in accordance with CFTC Regulation 40.6(a).
2. The proposed effective date of the Program is on or after May 22, 2025.
3. Attached please find a certification that: (1) this rule complies with the Commodity Exchange Act and the Commission’s regulations thereunder; and (2) concurrent with this submission, the Exchange posted on its website: (i) a notice of pending certification of this rule submission with the Commission; and (ii) a copy of this submission.<sup>1</sup>
4. A concise explanation of the operation, purpose, and incentives of the Program appears below.
5. No opposing views to adopting the Program were expressed to FMX in connection with the Program’s development and approval.

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<sup>1</sup> See <https://www.fmxfutures.com/rules-notices/>. Capitalized terms used but not defined herein shall have the meanings given to such terms in the FMX Rules, and references to “FMX Rules” refer to such rules.

## A CONCISE EXPLANATION OF THE OPERATION, PURPOSE, AND INCENTIVES OF THE PROGRAM, INCLUDING CORE PRINCIPLES.

Attached to this document is a description of the key terms of the Program (Exhibit I), the Application for Market Maker Incentive Program of FMX Futures Exchange, L.P. (Exhibit II), and a copy of the Market Maker Incentive Program (MMIP) for the 2-Year U.S. Treasury Note Futures (Annex A). The Program is being implemented in connection with the launch of 2-Year U.S. Treasury Note Futures trading on the Exchange to ensure that robust market activity continues to develop in listed contracts.

FMX has reviewed the core principles for designated contract markets set forth in Section 5 of the Commodity Exchange Act and in the Commission's Part 38 Regulations thereunder ("Core Principles"), as well as the FMX Rules. Based on its review, FMX has identified the following Core Principles as relevant to its assessment of the Program:

- ***Core Principle 2, Compliance with Rules.*** FMX believes that the Program will not adversely affect its ability to perform its trade practice and market surveillance obligations.
- ***Core Principle 3, Contracts Not Readily Susceptible to Manipulation.*** FMX believes that the Program will not cause the contracts it lists to be readily susceptible to manipulation.
- ***Core Principle 4, Monitoring of Trading.*** FMX believes that it will be able to monitor and surveil trading on the Exchange effectively, including trading by Persons or groups of Persons who have applied to be admitted into the Program, have been accepted in the Program by the Exchange, and are subject to the terms of the Program ("MMIPPs" and each, an "MMIPP").
- ***Core Principle 7, Availability of General Information.*** FMX is making information about the Program available to the Commission, its regulatory services provider, all Participants, Customers, and the public.
- ***Core Principle 9, Execution of Transactions.*** FMX believes that the Program does not give rise to incentives that will adversely affect its ability to execute orders for all Participants.
- ***Core Principle 12, Protection of Market Participants.*** Trading by MMIPPs will be subject to the requirements of the FMX Rules, which have been designed to ensure the protection of the market and market participants.
- ***Core Principle 16, Conflicts of Interest.*** The activities of MMIPPs will be subject to the Exchange's regular monitoring and surveillance processes and the requirements of the FMX Rules, including FMX Rule X-10, Conflicts of Interest.
- ***Core Principle 18, Recordkeeping.*** The Program is subject to the Exchange's record retention policies, which have been designed to achieve compliance with applicable CFTC recordkeeping requirements.

The terms of the Program and eligibility have been established in accordance with Chapter VI-1(a) and Chapter XII-12 of the FMX Rules.

By its terms, the Program does not affect order execution priority on the Exchange or otherwise give MMIPPs any execution preference or advantage. In addition, Chapter XIV of the FMX Rules requires the active monitoring of the Exchange for trading abuses. FMX's Control Desk monitors activity on the Exchange for disruptive trading. Both the Exchange's internal surveillance department and its regulatory services provider review for manipulative and other abusive trading practices. Chapter XIV of the FMX Rules also provides for the Exchange's Chief Compliance Officer to conduct investigations of Participants and to bring disciplinary measures against Participants as warranted.

**Exhibit I**  
**Market Maker Incentive Program of FMX Futures Exchange, L.P.:**  
**FMX 2-Year U.S. Treasury Note Futures**

**Program Purpose**

The purpose of the Market Maker Incentive Program for the FMX 2-Year U.S. Treasury Note Futures (the “Program”) is to draw market makers to the FMX Division of the FMX Futures Exchange, L.P. (“FMX” or the “Exchange”), and to grow volume and increase open interest in the FMX 2-Year U.S. Treasury Note Futures Contract (“Program Contracts”) traded on the Exchange. The increased trading volumes and open interest that the Program is reasonably expected to generate will benefit all Participants and Customers.

The Exchange may announce additional information about and changes to the Program on its website from time to time, including offering additional incentive programs in the future. This Program, subject to compliance with CFTC rules and regulations, may be altered, modified, supplemented, amended or terminated at any time by the Exchange. Any changes or amendments to the Program that, in the Exchange’s judgment, are not capable of being filed under the terms of CFTC Regulations 40.6(d) will be filed pursuant to Regulation 40.6(a).

**Program Scope**

The Program is available only to MMIPPs and will provide incentives for MMIPPs to submit bids and offers to the Exchange and to develop open interest in Program Contracts. In this way, the Program seeks to reduce volatility, promote price discovery, and ensure that a bona fide, deep and liquid market develops in Program Contracts.

Qualification for the program will be based on the Exchange’s assessment of the application for the Program submitted by any applicant. The application document for the MMIPP is attached as Exhibit II. The Exchange will review each application it receives to assess the applicant’s experience making markets in futures contracts, ability to support robust quotation of bids and offers and meaningful open interest in Program Contracts, and any additional factors that the Exchange determines to be appropriate from time to time.

**Eligible Participants** [REDACTED]

**Program Requirements** [REDACTED]

**Program Term**

The Program is intended to last three-months from its date of inception. The Exchange may determine to amend the program during this period or renew the Program for a successive period with existing or amended terms, based on its view of whether the Program has achieved the

Exchange's goal of ensuring that a bona fide, deep and liquid market develops in Program Contracts.

**Program Incentives** [REDACTED]

**Exhibit II**  
**Application for Market Maker Incentive Program of FMX Futures Exchange, L.P.**

[REDACTED]

**ANNEX A**

[REDACTED]

CERTIFICATIONS PURSUANT TO SECTION 5c OF THE COMMODITY EXCHANGE ACT,  
7 U.S.C. §7A-2 AND COMMODITY FUTURES TRADING COMMISSION RULE 40.6, 17  
C.F.R. §40.6

I hereby certify that:

- (1) The rule as attached complies with the Commodity Exchange Act and the Commission's regulations thereunder; and
- (2) Concurrent with this submission, FMX Futures Exchange, L.P. posted on its website, <https://www.fmxfutures.com/rules-notices/>: (a) a notice of pending certification of this rule submission with the Commission; and (b) a copy of this submission.

*Rhianna Ross*

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By: Rhianna Ross  
Title: Chief Compliance Officer  
Date: May 8, 2025