

November 21, 2003

Ms. Jean A. Webb
Secretary
Commodity Futures Trading Commission
Three Lafayette Center
1155 21st Street, N.W.
Washington, D.C. 20581

Reference File #2389.01
Rule Certification

Dear Ms. Webb:

Pursuant to Commission Regulation 40.6, the Chicago Board of Trade (CBOT[®]) hereby submits the following:

- **Amendments to Regulation 431.02(3) per the attached text (additions underlined; deletions bracketed).**

The referenced amendments will allow letters of credit to be used for margin collateral purposes, and also will codify that Exchange-registered shipping certificates (in addition to deliverable warehouse receipts) are acceptable as margin collateral.

The CBOT intends to implement these amendments no sooner than one day after the Commission's receipt of this filing.

There were no opposing views among the CBOT's Board of Directors concerning these amendments.

The CBOT certifies that these amendments comply with the Commodity Exchange Act and the rules thereunder.

Sincerely,

Paul J. Draths
Vice President and Secretary

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Additions underlined; deletions bracketed

Regulation 431.02 Margin Requirements – Margin requirements shall at all times be those requirements currently in effect. Changes in margin requirements shall be effective on all transactions....

3. [If] S[s]tocks, bonds or [similar] other readily marketable securities (as defined by SEC Rule 15c3-1(c) (11)) [collateral], including bank-issued letters of credit issued on a form acceptable to the Exchange, [which must be free from liens and from any impediments to negotiability,] may be [are] deposited with a member firm [specifically] to satisfy minimum margin requirements. [secure transactions which are executed on this Exchange,] The securities deposited must be valued at no more than the current market value less the applicable haircut as specified in SEC Rule 15c3-1(c)(2)(vi). [may be considered as margin value to such transactions.]

A registered futures commission merchant shall not accept as margin, pledge, hypothecate, assign or factor any customer owned warehouse receipt or shipping certificate other than a warehouse receipt or shipping certificate that is eligible for delivery in satisfaction of futures contracts at the Chicago Board of Trade [at a contract market].