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June 21, 2004

SENT VIA E-MAIL

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

**Re: Submission pursuant to Commission Regulation 40.4(b)(8)
"Non-material Agricultural Rule Change"**

Dear Ms. Webb:

- I. **Submission.** The Kansas City Board of Trade ("KCBT") hereby gives notification to the Commission pursuant to Commission Regulation Section 40.4(b)(8), of its intention, pursuant to Rule 233.01(f), to amend Rule 2007.00 pertaining to the last trading day for wheat futures contracts. The Board of Directors, in a regular meeting held on May 25, 2004, acting pursuant to authority granted them under Rule 233.01(f), approved the amendments and submitted them to all Class AA shareholders for a shareholder vote. The shareholders, in a special meeting held on June 21, 2004, ratified the Board action by a vote of 107 to 1. In the opinion of KCBT, these amendments are not material changes, in that only the last trading day is amended while preserving the current last delivery day. Accordingly, the rights of open position holders are not significantly altered.
- II. **Date of Implementation.** In order to provide the marketplace with sufficient notice of the change in last trading day, the amendments to Rule 2007.00 shall be effective with the September 2004 wheat futures contract month, the last trading day for which shall be September 14, 2004.
- III. **Substantive Opposing Views.** To the knowledge of the Board of Directors and staff, no substantive opposing views were expressed by members or others regarding the amendments.
- IV. **Text of Amendments.** The text of the amendments is shown as follows, with additions underlined and deletions lined out.

Chapter 20 – Wheat Futures

2007.00 Last Trading Day No Trading During End Of Delivery Month. No trade in futures contracts deliverable in a current month shall be made after the business day preceding the fifteenth (15th) calendar day during the last seven (7) business days of that month, except that outstanding futures contracts for such delivery may be liquidated by means of a bona fide exchange of such current futures for the actual cash commodity.

Note: The Board of Directors, pursuant to Rule 233.01 f, may alter the number of days trading is prohibited during the delivery month to conform with federal law and regulations. The seven (7) days come from a CFTC (former CEA) Regulation.

- V. **Rationale for Action Taken.** In March, 2004, the Executive Committee met and discussed the last trading day for KCBT wheat futures relative to the other grain exchanges. The committee was of the opinion that there were few, if any, benefits to maintaining a last trading day different from that of other wheat futures contracts. However, the executive committee was in favor of maintaining the current last delivery day for KCBT wheat futures, since the contract is for delivery of in-store grain. It was the committee's opinion that the additional time for wheat to be shipped in, elevated and delivered on the contract was of benefit. The executive committee forwarded the matter to the wheat contract committee for review and recommendation.

The wheat contract committee met on May 3 to consider the last trading day and last delivery day for KCBT wheat futures relative to the other grain exchanges. Members of the committee expressed that having a last trading day different from than of other wheat exchanges has created some confusion for FCMs and traders alike. Therefore, migration to the same last trading day would alleviate confusion. However, with respect to the last delivery day, members of the committee felt strongly about preserving the status quo (allowing delivery through the last business day of the delivery month) in order to allow for delivery of "in store" grain through the end of the delivery month.

The committee was of the opinion that changing the last trading day while preserving the current last delivery day was not a material change. In that regard, the committee recommended that the rule change be made effective with the September 2004 contract month, absent regulatory objection. A motion was made, seconded and passed unanimously to recommend to the executive committee the amendments contained herein.

- VII. **Closing.** Any questions regarding this submission should be directed to the undersigned at 816-753-7500.

Sincerely,

Jeff C. Borchardt
President

Cc: Rick Shilts – CFTC Washington
Tom Bloom – CFTC Kansas City
Jim Lammle – CFTC Kansas City