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OFC. OF THE SECRETARIAT

April 6, 2005

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

Reference File #2545.01
Rule Certification

Dear Ms. Webb:

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

- **Exchange advisory notice (copy attached) entitled "Off-Exchange Matching of Orders Initiated by Proprietary Traders Prohibited."**

This notice provides a statement of current Exchange policy on the referenced subject.

The CBOT intends to publish this notice one day after the Commission's receipt of this filing.

There were no opposing views concerning this notice.

The CBOT certifies that this notice complies with the Commodity Exchange Act and the rules thereunder.

Sincerely,

Paul Draths
Vice President and Secretary

April 7, 2005

NOTICE

**Off-Exchange Matching of Orders
Initiated by Proprietary Traders Prohibited**

Member firms are advised that independent orders initiated for the firm's proprietary account by different traders within a proprietary trading group may **not** be matched off-exchange and booked as internal transactions. This practice has reportedly occurred in the context of proprietary trading groups netting, on an automated basis, opposing orders placed by different proprietary traders and booking the netted transactions internally. Member firms that engage in such conduct will be subject to disciplinary action pursuant to Rule 500.00, Inequitable Proceedings.

Orders initiated without prearrangement by different traders within a proprietary trading group that match in the market are not considered wash trades by the Exchange. Regulation 9B.14, Good Faith Bids and Offers, requires that all bids and offers entered into the e-cbot system be entered in good faith for the purpose of executing bona fide transactions.

This notice does not preclude the centralized hedging of bona fide hedge orders initiated by various divisions of a firm or a group of affiliated firms that have the same beneficial ownership.

Questions regarding this notice may be directed to Dean Payton, Vice President of the Office of Investigations and Audits, at (312) 435-3658 or at dpayton@cbot.com.

Paul J. Draths
Vice President & Secretary