

November 19, 2003

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

Reference File #2385.01  
Rule Certification

Dear Ms. Webb:

Pursuant to Commission Regulation 40.6, the Chicago Board of Trade (CBOT<sup>®</sup>) hereby submits the following:

- **Amendments to Regulation 331.03 per the attached text (additions underlined; deletions struck through).**

These regulation changes will expand eligibility for "All-or-None" transactions to include all CBOT Treasury options, and will modify the existing "All-or-None" provisions for 10-Year Treasury Note options. Under the revised provisions, "All-or-None" transactions will be permissible (including inter-commodity and intra-commodity spreads) for 2-Year, 5-Year, and 10-Year Treasury Note options and for 30-Year Treasury Bond options, subject to the following minimum quantity thresholds:

- All-or-None minimum of 2,500 contracts;
- Counterparty minimum of 100 contracts.

The CBOT intends to implement these amendments no sooner than one day after the Commission's receipt of this filing. These amendments are intended to be effective on a pilot program basis through December 31, 2004.

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 are underlined and in bold; Deletions are struck through.**

**331.03 All-Or-None Transactions** - The Board of Directors shall determine the minimum thresholds for and the commodities in which All-or-None transactions shall be permitted. The following provisions shall apply to All-or-None trading:

- (a) A member may request or make an All-or-None bid and/or offer for a specified quantity at or in excess of the applicable minimum threshold during the hours of regular trading in the appropriate trading area.
- (b) A member may respond by quoting an All-or-None bid and/or offer price. A bid or offer in response to an All-or-None request shall be made only when it is the best bid or offer in response to such request, but such price need not be in line with the bids and offers currently being quoted in the regular market.
- (c) A member shall not execute any order by means of an All-or-None transaction unless the order includes specific instructions to execute an All-or-None transaction or the All-or-None bid or offer is the best price available to satisfy the terms of the order.
- (d) An All-or-None bid or offer may be accepted by one or more members provided that the entire quantity of the All-or-None order is executed at a single price and that each counterparty to the order accepts a quantity at or in excess of the designated minimum counterparty threshold. Each order executed opposite an All-or-None order must be for a quantity that meets or exceeds the minimum counterparty threshold. Separate orders may not be bunched to meet the minimum counterparty threshold.
- (e) The price at which an All-or-None transaction is bid, offered or executed will not elect conditional orders (e.g., limit orders, stop orders, etc.) in the regular market or otherwise affect such orders.
- (f) All-or-None transactions must be reported to the reporter in each pit who shall designate the price quotes for All-or-None transactions as All-or-None price quotes.
- (g) Under no circumstances shall All-or-None orders to buy and sell both be executed in their entirety opposite each other.

- (h) All-or-None transactions are permitted in the following contracts subject to the listed minimum quantity thresholds.

<b>Contract</b>	<b>All-or-None Minimum</b>	<b>Counterparty Minimum</b>
10-Year Interest Rate Swap futures	1,000	100
10-Year Interest Rate Swap/10-Year T-Note spread	1,000	100
10-Year Interest Rate Swap futures options	1,000	100
5-Year Interest Rate Swap futures	1,000	100
5-Year Interest Rate Swap/5-Year T-Note spread	1,000	100
5-Year Interest Rate Swap futures options	1,000	100
10-Year Agency Note futures	200	50
10-Year Agency Note/10-Year T-Note spread	100	50
5-Year Agency Note futures	200	50
5-Year Agency Note/5-Year T-Note spread	100	50
2-Year Treasury Note futures	200	50
10-Year Municipal Note Index futures	100	25
5-Year Treasury Note futures	2,000	10% of Order
30-Day Fed Funds futures (All-or-None orders may be executed only in contract months that have less than 30,000 contracts of open interest.)	1,000	100
<b><u>2-Year Treasury Note futures options (including inter-commodity and intra-commodity spreads)</u></b>	<b><u>2,500</u></b>	<b><u>100</u></b>
<b><u>5-Year Treasury Note futures options (including inter-commodity and intra-commodity spreads)</u></b>	<b><u>2,500</u></b>	<b><u>100</u></b>
10-Year Treasury Note futures options (including inter-commodity and intra-commodity spreads)	10,000- <b><u>2,500</u></b>	500- <b><u>100</u></b>
<b><u>30-Year Treasury Bond futures options (including inter-commodity and intra-commodity spreads)</u></b>	<b><u>2,500</u></b>	<b><u>100</u></b>

All-or-None intra-commodity spread transactions may be executed in permitted contracts provided that each leg of the spread meets the All-or-None threshold for that contract. However, All-or-None intra-commodity spreads and inter-commodity spreads involving Treasury options may be executed provided that at least one Treasury option leg of the spread order meets the designated All-or-None minimum order quantity and that one leg of each such spread transaction meets the designated counterparty minimum.