

**SUBMISSION COVER SHEET**

**IMPORTANT:** Check box if Confidential Treatment is requested

Registered Entity Identifier Code (optional): 15-024 (2 of 4)

Organization: Board of Trade of the City of Chicago, Inc. ("CBOT")

Filing as a:  DCM     SEF     DCO     SDR

Please note - only ONE choice allowed.

Filing Date (mm/dd/yy): 01/20/15 Filing Description: Revision to CBOT Rule 853  
("Transfers of Trades and Customer Accounts")

Please note only ONE choice allowed per Submission.

**Organization Rules and Rule Amendments**

- |                                     |                                     |            |
|-------------------------------------|-------------------------------------|------------|
| <input checked="" type="checkbox"/> | Certification                       | § 40.6(a)  |
| <input type="checkbox"/>            | Approval                            | § 40.5(a)  |
| <input type="checkbox"/>            | Notification                        | § 40.6(d)  |
| <input type="checkbox"/>            | Advance Notice of SIDCO Rule Change | § 40.10(a) |
| <input type="checkbox"/>            | SIDCO Emergency Rule Change         | § 40.10(h) |

**Rule Numbers: 853**

**New Product**

Please note only ONE product per Submission.

- |                          |                                       |            |
|--------------------------|---------------------------------------|------------|
| <input type="checkbox"/> | Certification                         | § 40.2(a)  |
| <input type="checkbox"/> | Certification Security Futures        | § 41.23(a) |
| <input type="checkbox"/> | Certification Swap Class              | § 40.2(d)  |
| <input type="checkbox"/> | Approval                              | § 40.3(a)  |
| <input type="checkbox"/> | Approval Security Futures             | § 41.23(b) |
| <input type="checkbox"/> | Novel Derivative Product Notification | § 40.12(a) |
| <input type="checkbox"/> | Swap Submission                       | § 39.5     |

**Official Product Name:**

**Product Terms and Conditions (product related Rules and Rule Amendments)**

- |                          |   |                      |
|--------------------------|---|----------------------|
| <input type="checkbox"/> | Certification   | § 40.6(a)            |
| <input type="checkbox"/> | Certification Made Available to Trade Determination     | § 40.6(a)            |
| <input type="checkbox"/> | Certification Security Futures                          | § 41.24(a)           |
| <input type="checkbox"/> | Delisting (No Open Interest)                            | § 40.6(a)            |
| <input type="checkbox"/> | Approval  | § 40.5(a)            |
| <input type="checkbox"/> | Approval Made Available to Trade Determination          | § 40.5(a)            |
| <input type="checkbox"/> | Approval Security Futures                               | § 41.24(c)           |
| <input type="checkbox"/> | Approval Amendments to enumerated agricultural products | § 40.4(a), § 40.5(a) |
| <input type="checkbox"/> | "Non-Material Agricultural Rule Change"                 | § 40.4(b)(5)         |
| <input type="checkbox"/> | Notification  | § 40.6(d)            |

**Official Name(s) of Product(s) Affected:**

**Rule Numbers: 853**



January 20, 2015

**VIA ELECTRONIC PORTAL**

Mr. Christopher J. Kirkpatrick  
Office of the Secretariat  
Commodity Futures Trading Commission  
Three Lafayette Centre  
1155 21st Street, N.W.  
Washington, DC 20581

**RE: CFTC Regulation 40.6(a) Certification.  
Amendments to CBOT Rule 853 ("Transfers of Trades and Customer Accounts")  
CBOT Submission No. 15-024 (2 of 4)**

Dear Mr. Kirkpatrick:

Chicago Mercantile Exchange Inc. ("CME"), The Board of Trade of the City of Chicago, Inc. ("CBOT"), New York Mercantile Exchange, Inc. ("NYMEX") and Commodity Exchange, Inc. ("COMEX") (collectively, the "Exchanges") hereby notify the Commodity Futures Trading Commission ("CFTC" or "Commission") that they are self-certifying a revision to Rule 853 ("Transfers of Trades and Customer Accounts").

Currently, Rule 853.A.2. authorizes the Chief Regulatory Officer or the President of the Clearing House (or their respective designees) to approve a transfer of existing trades where the transfer request is in connection with, or results from, a merger, asset purchase, consolidation or similar non-recurring transaction. The current rule requires that the circumstances be such that one or more entities becomes the successor in interest to one or more other entities. In other words, the party seeking permission to transfer the trades needs to cease to exist after the merger, asset purchase, consolidation or other non-recurring transaction.

Recently, the Market Regulation Department has received transfer requests in circumstances where an entity is completely exiting the trading of futures and options on futures, but is not going out of business. In order to address these types of scenarios, the revision to Rule 853 removes the requirement that one or more of the entities must become a successor in interest to the entity wishing to transfer its position.

The revision to Rule 853.A.2. appears in Exhibit A, and will become effective on Wednesday, February 4, 2015.

In connection with the revision, the Exchanges will issue a Special Executive Report advising the marketplace of the change.

The Exchanges reviewed the designated contract market core principles ("Core Principles") as set forth in the Commodity Exchange Act ("CEA" or the "Act") and identified that the amendments may have some bearing on the following Core Principles:

Compliance with Rules: The revision allows the Chief Regulatory Officer or the President of the Clearing House (or their respective designees) to consider the totality of facts and circumstances surrounding a transfer request in connection with, or resulting from, a merger, asset purchase, consolidation or similar non-recurring transaction and to render a decision that is in the best interest of the market and the party requesting the transfer.

Availability of General Information: As required by this Core Principle, the marketplace will be informed of the revisions to Rule 853.A.2. via the issuance of a Special Executive Report prior to the revision becoming effective.

The Exchanges certify that the amendments to Rule 853 complies with the Act and regulations thereunder. There were no substantive opposing views to this proposal.

The Exchanges certify that this submission has been concurrently posted on the Exchanges' website at <http://www.cmegroup.com/market-regulation/rule-filings.html>.

If you require any additional information, please e-mail [CMEGSubmissionInquiry@cmegroup.com](mailto:CMEGSubmissionInquiry@cmegroup.com) or contact the undersigned at (212) 299-2200.

Sincerely,

/s/Christopher Bowen  
Managing Director and Chief Regulatory Counsel

Attachments: Exhibit A – Amendments to CME/CBOT/NYMEX/COMEX Rule 853

# **Exhibit A**

CME/CBOT/NYMEX/COMEX

## Chapter 8

### Clearing House and Performance Bonds

#### **853.A. Transfers of Trades**

[Section 1. is unchanged.]

2. Subject to the limitations of Rule 854, the Chief Regulatory Officer or his designee may, (and, with respect to cleared-only products, the President of the Clearing House or her designee also may), upon request by the clearing member(s), approve a transfer of existing trades either on the books of the same clearing member, or from the books of one clearing member to the books of another clearing member if the transfer is in connection with, or as a result of, a merger, asset purchase, consolidation or similar non-recurring transaction between two or more entities ~~where one or more entities become the successor in interest to one or more other entities.~~

[The remainder of the Rule is unchanged.]