

SUBMISSION COVER SHEET

IMPORTANT: Check box if Confidential Treatment is requested

Registered Entity Identifier Code (optional): 15-056 (2 of 4)

Organization: The 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): 2/4/15 Filing Description: Amendments to Rules 714 ("Failure to Deliver") and 715 ("Failure to Remit Full Payment")

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: 714, 715

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:

February 4, 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 CME/CBOT/NYMEX/COMEX Rule 714 (“Failure to Deliver”) and CME Rule 715 (“Failure to Remit Full Payment”). CBOT Submission No. 15-056 (2 of 4)

Dear Mr. Kirkpatrick:

Chicago Mercantile Exchange Inc. (“CME”) hereby notifies the Commodity Futures Trading Commission (“CFTC” or “Commission”) that it is self-certifying amendments to Rule 714 (“Failure to Deliver”) and Rule 715 (“Failure to Remit Full Payment”) to harmonize the text of the rules with the text of 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”) Rules 714 and 715. Additionally, CBOT, NYMEX and COMEX are adopting minor revisions to Rule 714, which are also being adopted by CME.

The text of CBOT, NYMEX and COMEX Rule 714 is more descriptive of the procedures attendant to delivery obligation failures, and will replace the legacy language in CME Rule 714. Additionally, the Exchanges are adopting an amendment to Rule 714 to incorporate a specific reference to authority vested in the President of the Clearing House or the President’s designee as set forth in Rule 702 (“Clearing Member Duties to the Clearing House”).

CME is also replacing the legacy title and text of Rule 715 with the title and text of CBOT, NYMEX and COMEX Rule 715. The existing reference to penalties in legacy CME Rule 715 is obsolete.

The amendments to Rules 714 and 715 appear in Exhibit A, with additions underscored and deletions ~~overstruck~~. The amendments will become effective on Friday, February 20, 2015. The marketplace will be informed of the amendments via the issuance of a Special Executive Report (“SER”) prior to their becoming effective.

The Exchanges reviewed the designated contract market core principles (“Core Principles”) as set forth in the Commodity Exchange Act (“CEA” or “Act”) and identified that the amendments to Rules 714 and 715 may have some bearing on the following Core Principles:

Compliance with Rules: The revisions to Rules 714 and 715 concern delivery procedures, which constitute a term and condition pursuant to CFTC Regulations. The revisions harmonize the text across the Exchanges and provide information on damages for failure to deliver and codify that such failure is an act detrimental to the interest and welfare of the Exchange.

Availability of General Information: As required by this Core Principle, the Exchanges will publicly issue an SER to the marketplace prior to the amendments becoming effective. The SER will also be available on the CME Group website.

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 or contact the undersigned at 212-299-2200.

Sincerely,

/s/Christopher Bowen
Managing Director and Chief Regulatory Counsel

Attachment: Exhibit A – Revisions to CME/CBOT/NYMEX/COMEX Rule 714 and CME Rule 715
(blackline format)

Exhibit A

CME/CBOT/NYMEX/COMEX Chapter 7 Delivery Facilities and Procedures

(additions are underscored; deletions are ~~overstruck~~)

CME

714. FAILURE TO DELIVER

~~A failure by a clearing member to tender a Delivery Notice on or before the time specified by the Clearing House on the last day on which such notice is permitted shall be deemed a delivery obligation failure, except that the President of the Clearing House may, for good cause, extend the time to present such notice. Unexcused failure to make delivery shall be deemed an act detrimental to the interest or welfare of the Exchange. In addition to the penalties provided in Chapter 4 and in the relevant contract specification chapter, the Clearing House Risk Committee shall determine and assess the damages incurred by the buyer, taking into account the settlement price and such other factors as it deems appropriate.~~

In the event a clearing member fails to fulfill its specific delivery obligations pursuant to Exchange rules, the sole obligation of the Clearing House is to pay reasonable damages proximately caused by such delivery obligation failure, in an amount which shall not exceed the difference between the delivery price of the specific commodity and the reasonable market price of such commodity at the time delivery is required according to the rules of the Exchange. The Clearing House shall not be obligated to: (1) make or accept delivery of the actual commodity; or (2) pay any damages relating to the accuracy, genuineness, completeness, or acceptableness of certificates, instruments, warehouse receipts, shipping certificates, or other similar documents; or (3) pay any damages relating to the failure or insolvency of banks, depositories, warehouses, shipping stations, or similar organizations or entities that may be involved with a delivery.

Notwithstanding any provision of the rules, the Clearing House has no obligation or liability to any clearing member or any other person relating to a failure to fulfill a delivery obligation unless it is notified by the clearing member that did perform, or was in a position to perform its delivery obligations, that a failure occurred, as soon as possible, but in no event later than 1 hour after the delivery deadline for the respective product, which may be extended by the President of the Clearing House or the President's designee pursuant to the provisions of Rule 702.

If a clearing member does not fulfill its delivery obligations to another clearing member, it shall be responsible to the Clearing House for any damages incurred by the Clearing House as a result of such delivery obligation failure.

A failure by a clearing member carrying a short futures position to tender a Delivery Notice on or before the time specified by the Clearing House on the last day on which such notice is permitted shall be deemed a violation of this rule, except that the President of the Clearing House may, for good cause, extend the time to present such notice.

Unexcused failure to make delivery shall be deemed an act detrimental to the interest or welfare of the Exchange. In addition to any penalties imposed as provided in Chapter 4, the Clearing House Risk Committee shall determine and assess the damages incurred by the buyer.

715. FAILURE TO ACCEPT DELIVERY OR REMIT FULL PAYMENT

~~If a clearing member obligated to receive delivery fails to make full payment to the seller, the Clearing House shall debit the account of said clearing member an amount sufficient to complete the delivery. In any event, the clearing member failing to make payment shall be liable for a penalty of \$7.50 per 1,000 board feet on lumber and \$.015 per pound on all other commodities or as otherwise provided in the respective contract specification chapter, and any additional documented costs incurred by the seller or by the Clearing House.~~

~~Failure to remit full payment shall be deemed an act detrimental to the interest or welfare of the Exchange.~~

Where a buyer to whom a delivery has been assigned by the Clearing House fails to take such delivery and make payment when payment is due, the seller tendering such delivery shall immediately notify the Clearing House. If a clearing member obligated to receive delivery fails to make full payment to the seller, the Clearing House shall debit the account of said clearing member an amount sufficient to complete the delivery.

Failure to accept delivery or to remit full payment shall be deemed an act detrimental to the interest or welfare of the Exchange.

CBOT

714. FAILURE TO DELIVER

In the event a clearing member fails to fulfill its specific delivery obligations ~~pursuant to Exchange~~ regarding a CBOT product pursuant to CBOT rules, the sole obligation of the Clearing House is to pay reasonable damages proximately caused by such delivery obligation failure, in an amount which shall not exceed the difference between the delivery price of the specific commodity and the reasonable market price of such commodity at the time delivery is required according to the rules of the Exchange. The Clearing House shall not be obligated to: (1) make or accept delivery of the actual commodity; or (2) pay any damages relating to the accuracy, genuineness, completeness, or acceptableness of certificates, instruments, warehouse receipts, shipping certificates, or other similar documents; or (3) pay any damages relating to the failure or insolvency of banks, depositories, warehouses, shipping stations, or similar organizations or entities that may be involved with a delivery.

Notwithstanding any provision of the rules, the Clearing House has no obligation or liability to any clearing member or any other person relating to a failure to fulfill a delivery obligation unless it is notified by the clearing member that did perform, or was in a position to perform its delivery obligations, that a failure occurred, as soon as possible, but in no event later than 1 hoursixty minutes after the ~~time the~~ delivery deadline for the respective product, which may be extended by the President of the Clearing House or the President's designee pursuant to the provisions of Rule 702 ~~obligation was to have been fulfilled according to the rules of the CBOT.~~

If a clearing member does not fulfill its delivery obligations to another clearing member, it shall be responsible to the Clearing House for any damages incurred by the Clearing House as a result of such delivery obligation failure.

A failure by a clearing member carrying a short futures position to tender a Delivery Notice on or before the time specified by the Clearing House on the last day on which such notice is permitted shall be deemed a violation of this rule, except that the President of the Clearing House may, for good cause, extend the time to present such notice.

Unexcused failure to make delivery shall be deemed an act detrimental to the interest or welfare of the Exchange. In addition to any penalties imposed as provided in Chapter 4, the Clearing House Risk Committee shall determine and assess the damages incurred by the buyer.

NYMEX/COMEX

714. FAILURE TO DELIVER

In the event a clearing member fails to fulfill its specific delivery obligations pursuant to Exchange rules, the sole obligation of the Clearing House is to pay reasonable damages proximately caused by such delivery obligation failure, in an amount which shall not exceed the difference between the delivery price of the specific commodity and the reasonable market price of such commodity at the time delivery is required according to the rules of the Exchange. The Clearing House shall not be obligated to: (1) make or accept delivery of the actual commodity; or (2) pay any damages relating to the accuracy, genuineness, completeness, or acceptableness of certificates, instruments, warehouse receipts, shipping certificates, or other similar documents; or (3) pay any damages relating to the failure or insolvency of banks, depositories, warehouses, shipping stations, or similar organizations or entities that may be involved with a delivery.

Notwithstanding any provision of the rules, ~~with respect to products where delivery obligations are fulfilled directly between clearing members,~~ the Clearing House has no obligation or liability to any clearing member or any other person relating to a failure to fulfill a delivery obligation unless it is notified by the clearing member that did perform, or was in a position to perform its delivery obligations, that a failure occurred, as soon as possible, but in no event later than 1 hoursixty minutes after the ~~time the~~ delivery deadline for the respective product, which may be extended by the President of the Clearing House or the President's designee pursuant to the provisions of Rule 702 ~~obligation was to have been fulfilled according to the rules of the Exchange.~~

If a clearing member does not fulfill its delivery obligations to another clearing member, it shall be responsible to the Clearing House for any damages incurred by the Clearing House as a result of such delivery obligation failure.

A failure by a clearing member carrying a short futures position to tender a Delivery Notice on or before the time specified by the Clearing House on the last day on which such notice is permitted shall be deemed a violation of this rule, except that the President of the Clearing House may, for good cause, extend the time to present such notice.

Unexcused failure to make delivery shall be deemed an act detrimental to the interest or welfare of the Exchange. In addition to any penalties imposed as provided in Chapter 4, the Clearing House Risk Committee shall determine and assess the damages incurred by the buyer.