

**SUBMISSION COVER SHEET**

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

Registered Entity Identifier Code (optional): 15-166

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): April 30, 2015 Filing Description: Amendments to CBOT Rule 588.H ("Globex Non-Reviewable Trading Ranges") for CBOT U.S. Treasury Bond and Note Futures

**SPECIFY FILING TYPE**

Please note only ONE choice allowed per Submission.

**Organization Rules and Rule Amendments**

- Certification § 40.6(a)
- Approval § 40.5(a)
- Notification § 40.6(d)
- Advance Notice of SIDCO Rule Change § 40.10(a)
- SIDCO Emergency Rule Change § 40.10(h)

Rule Numbers: 588

**New Product**

Please note only ONE product per Submission.

- Certification § 40.2(a)
- Certification Security Futures § 41.23(a)
- Certification Swap Class § 40.2(d)
- Approval § 40.3(a)
- Approval Security Futures § 41.23(b)
- Novel Derivative Product Notification § 40.12(a)
- Swap Submission § 39.5

Official Product Name:

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

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

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

Rule Numbers:

April 30, 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, D.C. 20581

**Re: CFTC Regulation 40.6(a) Certification. Notification Regarding Amendments to CBOT Rule 588.H (“Globex Non-Reviewable Trading Ranges”) for CBOT U.S. Treasury Bond and Note Futures.  
CBOT Submission No. 15-166**

Dear Mr. Kirkpatrick:

Effective on Sunday, May 17, 2015 for trade date Monday, May 18, 2015, The Board of Trade of the City of Chicago, Inc. (“CBOT” or “Exchange”) is notifying the Commodity Futures Trading Commission (“CFTC” or “Commission”) that it is self-certifying amendments applicable to the following contracts:

<b>Product Title</b>	<b>CBOT Rulebook Chapter</b>	<b>Current CME Globex Code</b>	<b>New CME Globex Calendar Spread Code</b>
U.S. Treasury Bond Futures	18	ZB	ZBX
Long-Term U.S. Treasury Note Futures (6½ to 10-Year)	19	ZN	ZNX
Medium-Term U.S. Treasury Note Futures (5-Year)	20	ZF	ZFX
Short-Term U.S. Treasury Note Futures (2-Year)	21	ZT	ZTX
Long-Term U.S. Treasury Bond Futures	40	UB	UBX

The Exchange developed a U.S. Treasury Bond futures calendar spread with a non-standard ratio of 3:2 for the recent February rollover from the March 2015 to the June 2015 contracts. The U.S. Treasury Bond futures calendar spread with a 3:2 ratio provided an electronic trading solution via CME Globex for customers with difficulty transferring positions with the standard 1:1 calendar spreads due to an unprecedented transition in risk exposures.

Currently, customers are able to execute Treasury futures calendar spreads with non-standard (not 1:1) ratios on the open outcry trading floor venue. As previously announced, CME Group will close most open outcry futures trading by July 2015. At that time, Treasury futures open outcry trading will cease and a need for market participants to execute intra-commodity calendar spreads in a risk-neutral manner on CME Globex will be created. The non-standard spread with a 3:2 ratio for the U.S. Treasury Bond futures

provided a template for developing alternate, non-standard ratio Treasury futures calendar spreads for the balance of the Treasury futures complex that has quarterly rollover activity. As such, the Exchange will begin listing these Treasury futures calendar spreads in May 2015 for the June 2015 to September 2015 quarterly rollover. This will provide market participants with sufficient time to incorporate the new non-standard ratios into their trading strategies commencing with the May 2015 rollover. In an effort to provide a smooth transition, the Exchange believes it would be beneficial to market participants to implement these amendments as soon as practicable instead of in conjunction with the August 2015 rollover which would be directly after the open outcry futures trading close.

As a result, effective on trade date Monday, May 18, 2015, the Exchange will amend CBOT Rule 588.H (“Globex Non-Reviewable Trading Ranges”) to include the new Treasury futures calendar spreads with non-standard ratios. The non-reviewable ranges of the non-standard ratios will be consistent with the standard ratio 1:1 spreads which have a non-reviewable range of 5 ticks (1.25/32nds). The non-reviewable ranges for the non-standard ratio primarily differ from the standard ratio spreads as their prices will be weighted by the number of contracts on each leg. As a result, the non-reviewable ranges for the non-standard ratio Treasury futures calendar spreads will reflect 5 ticks multiplied by the larger number of contracts on the two legs of the calendar spread. Appendix A provides CBOT Rule 588.H in blackline format.

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

- Prevention of Market Disruption: CBOT will list non-standard calendar spreads for Treasury Bond and Note Futures on CME Globex. The resulting amendments to the Globex Non-Reviewable Trading Ranges due to the spreads with non-standard ratios is consistent with pertinent CFTC Core Principles that require the Exchange to maintain and promote orderly markets.
- Availability of General Information: The Exchange will amend the CBOT rulebook accordingly on the effective date. The Exchange will make these amendments publically available on the CME Group website. In addition, CBOT will publish a Special Executive Report (“SER”) to advise the marketplace of these amendments. The SER will also be posted on the CME Group website.

Pursuant to Section 5c(c) of the Act and CFTC Regulation 40.6(a), CBOT hereby certifies that the amendments comply with the Act, including all regulations under the Act. There were no substantive opposing views to this proposal.

CBOT certifies that this submission has been concurrently posted on the Exchange’s website at <http://www.cmegroup.com/market-regulation/rule-filings.html>.

Should you have any questions concerning the above, please contact the undersigned at (212) 299-2200 or via e-mail at [CMEGSubmissionInquiry@cmegroup.com](mailto:CMEGSubmissionInquiry@cmegroup.com).

Sincerely,

/s/ Christopher Bowen  
Managing Director and Chief Regulatory Counsel

Attachment: Appendix A – Amendments to CBOT Rule 588.H. Globex Non-Reviewable Trading Ranges (blackline format)

## Appendix A

### Amendments to CBOT Rule 588.H. Globex Non-Reviewable Trading Ranges

(Additions are underlined)

Futures Combinations		Globex Non-Reviewable Ranges (NRR)
Non-Eurodollar, non-implied eligible, intra-commodity spreads		5 ticks
Exceptions:		
<u>Treasury Calendar Spreads with non-standard ratios (ZTX, ZFX, ZNX, ZBX, UBX)</u>		<u>5 ticks multiplied by the larger leg quantity of the spread rounded to the next largest full 32nd</u>