

SUBMISSION COVER SHEET

IMPORTANT: Check box if Confidential Treatment is requested

Registered Entity Identifier Code (optional): 21-506

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): 12/10/21 **Filing Description:** Amendments to the Daily Settlement Procedure Document of the FOB Santos Soybeans Financially Settled (Platts) Futures Contract

SPECIFY FILING TYPE

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: See filing.

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:

December 10, 2021

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. Amendments to the Daily Settlement Procedure Document of the FOB Santos Soybeans Financially Settled (Platts) Futures Contract.
CBOT Submission No. 21-506**

Dear Mr. Kirkpatrick:

The Board of Trade of the City of Chicago, Inc. (“CBOT” or “the Exchange”) is certifying to the Commodity Futures Trading Commission (“CFTC” or “Commission”) amendments to the Daily Settlement Procedure Document (the “Document”) of the FOB Santos Soybeans Financially Settled (Platts) Futures contract (CBOT Rulebook Chapter: 11F; Commodity Code: SAS) (the “Contract”) (collectively, the Rule Amendments”) effective on Sunday, January 2, 2021 for trade date Monday, January 3, 2021.

The Exchange currently settles the Contract based on trades executed on the CME Globex electronic trading platform (“CME Globex”). In order to optimally align daily settlements with cash market pricing conventions, the Exchange is amending the Document to reflect that the daily settlement of the Contract going forward will be based on broker contributions. Commercial market participants are supportive of the Rule Amendments. In anticipation of the Rule Amendments, CBOT has been collecting and analyzing broker contributions in order to facilitate their implementation.

As with other products that utilize broker contributions for daily settlements, the Exchange, in conjunction with a third-party vendor, will compile, normalize, and continuously monitor the data received, and use various validation tools to ensure accuracy of settlement prices prior to publishing.

The Exchange reviewed the designated contract market core principles (“Core Principles”) as set forth in the Commodity Exchange Act (“CEA” or “Act”) and identified that the following Core Principles may be impacted by the Rule Amendments as follows:

Compliance with Rules: The Exchange shall continue their normal practice to establish, monitor, and enforce compliance with the rules for the Contracts, including the Rule Amendments for the Contracts.

Prevention of Market Disruption: The Exchange has the capacity to detect abnormal price movements and unusual trading volumes, including such abnormal price movements or trading volumes as may be associated with bilaterally negotiated trades, and they hold the authority to take remedial action as appropriate.

Execution of Transactions: The Rule Amendments will further enable the Exchange to continue their current practice of providing a competitive, open, and efficient market mechanism for executing transactions.

Availability of General Information: The Exchange shall disseminate a Special Executive Report (“SER”) regarding the Rule Amendments. The SER will also be posted on the CME Group website.

Daily Publication of Trading Information: Trading volume, open interest and price information will be published daily on the Exchange’s website and via quote vendors.

Amendments to the Document are provided in Exhibit A below, with additions **underscored** and deletions ~~struck through~~.

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

The Exchange 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.

Sincerely,

/s/ Christopher Bowen
Managing Director and Chief Regulatory Counsel

Attachment: Exhibit A – Daily Settlement Procedure Document - FOB Santos Soybeans Financially Settled (Platts) Futures Contract (blackline format)

Exhibit A

FOB Santos Soybeans Financially Settled (Platts) Futures Daily Settlement Procedure Document

(additions **underscored**; deletions struck through)

Normal Daily Settlement Procedure

~~CME Group staff determines the daily settlements for the South American Soybean futures (SAS) based on trading activity on CME Globex between 13:10:00 and 13:15:00 Central Time (CT), the settlement period.~~

~~**Tier 1:** Each contract month settles to its volume-weighted average price (VWAP) of all trades that occur between 13:10:00 and 13:15:00 CT, the settlement period, rounded to the nearest tradable tick. If the VWAP is exactly in the middle of two tradable ticks, then the settlement will be the tradable price that is closer to the contract's prior day settlement price.~~

~~**Tier 2:** If no trades occur on CME Globex between 13:10:00 and 13:15:00 CT, the settlement period, then the last trade is used to determine whether to settle to the bid or the ask during this period.~~

- ~~1. If the last trade price is outside of the bid/ask spread, then the contract month settles to the nearest bid or ask price.~~
- ~~2. If the last trade price is within the bid/ask spread, or if a bid/ask spread is not available, then the contract month settles to the last trade price.~~

~~**Tier 3:** In the absence of any trade activity or bid/ask in a given contract month during the current trading day, the daily settlement price will be determined by applying the net change from the preceding contract month to the given contract month's prior daily settlement price.~~

Daily settlements of FOB Santos Soybeans Financially Settled (Platts) Futures are determined by CME Group staff based on the following approach:

Tier 1: All relevant market data available at 13:15 Central Time (CT) will be used to derive a settlement in each contract month.

Tier 2: If no relevant information is received by 13:15 Central Time (CT), then the contract month settles to the prior-day settlement price.