

SUBMISSION COVER SHEET

IMPORTANT: Check box if Confidential Treatment is requested

Registered Entity Identifier Code (optional): 24-423

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): 11/14/24 Filing Description: Basis Trade at Index Close ("BTIC") Eligibility for the Bloomberg U.S. Corporate Investment Grade Duration-Hedged Index 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 |

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:

November 14, 2024

VIA ELECTRONIC PORTAL

Mr. Christopher J. Kirkpatrick
Office of the Secretariat
Commodity Futures Trading Commission
3 Lafayette Center
1155 21st Street NW
Washington, DC 20581

**Re: CFTC Regulation 40.6(a) Certification. Basis Trade at Index Close (“BTIC”) Eligibility for the Bloomberg U.S. Corporate Investment Grade Duration-Hedged Index Futures Contract.
CBOT Submission No. 24-423**

Dear Mr. Kirkpatrick:

The Board of Trade of the City of Chicago, Inc. (“CBOT” or “Exchange”) certifies to the Commodity Futures Trading Commission (“CFTC” or “Commission”) the eligibility of the Basis Trading at Index Close (“BTIC”) transactions for the for the Bloomberg U.S. Corporate Investment Grade Duration-Hedged Index Futures contract for trading on the CME Globex electronic trading platform (“CME Globex”) and for submission for clearing on CME ClearPort for all listed contract months effective on Sunday, December 15, 2024, for trade date Monday, December 16, 2024, as more specifically described below.

| | |
|---|--|
| UNDERLYING FUTURES CONTRACT | Bloomberg U.S. Corporate Investment Grade Duration-Hedged Index Futures |
| BTIC Code | DHBT |
| RULEBOOK CHAPTER | 92 |
| TRADING AND CLEARING HOURS | CME Globex Pre-open: Sunday 4:00 p.m. - 5:00 p.m. Central Time (CT) Monday – Thursday 4:45 p.m. - 5:00 p.m. CT CME Globex: Sunday 5:00 p.m. - Friday - 4:00 p.m. CT with a daily maintenance period from 4:00 p.m. - 5:00 p.m. CT CME ClearPort: Sunday 5:00 p.m. - Friday 5:45 p.m. CT with no reporting Monday - Thursday from 5:45 p.m. - 6:00 p.m. CT |
| BLOCK TRADE MINIMUM / REPORTING WINDOW | 100 contracts / RTH – 15 minutes; ETH/ATH – 15 minutes |

Specifically, CBOT will adopt 92106.A. (“Basis Trade at Index Close (“BTIC”) Transactions”) in the underlying futures contract’s rulebook chapters (see Appendix A), amend the related Trading at Settlement (“TAS”), Basis Trade at Index Close (“BTIC”), Basis Trade at Cash Open (“TACO”) and Trade Marker at Close (“TMAC”) Table (the “Table”) (see Appendix B). The related Exchange fees are provided in Appendix C (collectively, the “Rule Amendments”).

By way of background, CBOT initially listed the Bloomberg U.S. Corporate Investment Grade Duration-Hedged Index Futures (the “Underlying Futures Contract”) for trading on the CME Globex and for submission for clearing via CME ClearPort effective on June 17, 2024 (see CBOT Submission No. [24-175](#) dated May 29, 2024). Based on customer feedback, the Exchange is implementing the Rule Amendments to implement BTIC eligibility for the Underlying Futures Contract at this time.

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 Rule Amendments may have some bearing on the following Core Principles:

- **Availability of General Information:** The Exchange will release a Special Executive Report (“SER”) regarding the Rule Amendments. The SER will also be posted on the CME Group website.
- **Compliance with Rules:** The SER being issued provides information on the BTIC eligibility. The SER and the Table are intended to provide regulatory guidance to ensure that market participants are in compliance with Rule 524.
- **Daily Publication of Trading Information:** CME will continue to publish contract trading volumes, open interest levels, and price information daily on its website and through quote vendors for the Contract.

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 and rules thereunder. There were no substantive opposing views to this proposal.

The Exchange certifies that this submission has been concurrently posted on CME Group’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 (312) 466-7478 or via e-mail at CMEGSubmissionInquiry@cmegroup.com.

Sincerely,

/s/ Timothy Elliott
 Managing Director and Chief Regulatory Counsel

| | | |
|--------------|------------|--|
| Attachments: | Appendix A | Amendments to CBOT Rulebook Chapter 92 |
| | Appendix B | Trading at Settlement (“TAS”), Basis Trade at Index Close (“BTIC”), Basis Trade at Cash Open (“TACO”) and Trade Marker at Close (“TMAC”) Table |
| | Appendix C | Exchange Fees |

Appendix A
CBOT Rulebook

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

Chapter 92
Bloomberg U.S. Corporate Investment Grade Duration-Hedged Index Futures

90104.-35. [RESERVED]

90106. BASIS TRADE AT INDEX CLOSE (“BTIC”) TRANSACTIONS

All BTIC transactions must be executed in accordance with the requirements of Rule 524.B.

90106.A. Block Trade Requirements

BTIC block trades must be executed in accordance with the requirements of Rule 526.

For a BTIC or BTIC block trade executed prior to the publication of the Index on a given Trading Day, the corresponding futures price shall be made by reference to the closing Index value for the current Trading Day.

For a BTIC or BTIC block trade executed on a given Trading Day after the publication of the Index, the corresponding futures price shall be made by reference to the closing Index value for the next Trading Day.

90106.B. Price Assignment Procedures

The price assignment procedure for BTIC transactions shall follow Rule 524.B.3.

90106.C. Minimum Price Increments

The valid basis or price increment applied to the closing Index value to establish the BTIC futures price shall be 0.025 Index points, equal to \$12.50 per contract.

90106.B. Market Disruption Events

In the event of disruption in the underlying market that precludes a valid Index value calculation, all pending and executed BTIC transactions in the corresponding futures contract shall be cancelled by the Exchange. Such disruption shall be declared by the Exchange in its sole discretion.

Appendix B
CBOT Rulebook

Chapter 5

(“Trading Qualifications and Practices”)

Trading at Settlement (“TAS”), Basis Trade at Index Close (“BTIC”), Basis Trade at Cash Open (“TACO”) and Trade Marker at Close (“TMAC”) Table

(additions underscored)

| | | |
|---|---------------------------|--------------------------------|
| <u>CME and CBOT Interest Rate Futures Products Eligible for Basis Trade at Index Close (“BTIC”) Pricing</u> | | |
| | | |
| Interest Rate Futures | <u>BTIC Symbol</u> | <u>Rulebook Chapter</u> |
| <u>CBOT</u> | | |
| <u>Bloomberg U.S. Corporate Investment Grade Duration-Hedged Index Futures</u> | <u>DHBT</u> | <u>92</u> |

Appendix C
Exchange Fees

| Level | Account Owner | Execution Type | Venue/ Transaction Type | Fee |
|--|---|--------------------------------------|----------------------------|--------|
| 1 | Individual Members | Member Account Owner | BTIC | \$0.45 |
| | Individual Delegates | Delegate Trading Own Account | BTIC | \$0.46 |
| Equity Members (Individual Equity members, Clearing Equity Member Firms and Equity Member Firms) | | | | |
| 2 | Rule 106.J Equity Member Firms Rule 106.I Affiliate Equity Member Firms Individual Equity Members (Other Member/Delegate executing trade) Clearing Equity Member Firms Rule 106.I Affiliate Membership Umbrella - Qualified Affiliate | Member or Delegate | BTIC | \$0.45 |
| | | Non-Member | BTIC | \$0.45 |
| | Rule 106.S. Family of Funds Equity Member Firms | Member, Delegate or Non-Member | BTIC | \$0.45 |
| Trading Members (Individual Non-Equity Members, Clearing Non-Equity Member Firms and Non-Equity Member Firms) | | | | |
| 3 | Individual Non-Equity Members (Other Member/Delegate executing trade) Clearing Non-Equity Member Firms Rule 106.H. Member Firms Rule 106.I. Affiliate Trading Member Firms (w/ an owned seat) | Member, Delegate or Non-Member | BTIC | \$0.50 |
| | Individual Delegates (Other Member/Delegate executing trade) Rule 106.I. Affiliate Trading Member Firms (w/ a leased seat) | Member, Delegate or Non-Member | BTIC | \$0.60 |
| | Rule 106.S. Family of Funds Trading Member Firms | Member, Delegate or Non-Member | BTIC | \$0.50 |
| Electronic Corporate Member Firm | | | | |
| 4 | Rule 106.R Electronic Corporate Member Firms (For other than CME Globex – See Non-Members) | Member, Delegate or Non-Member | CME Globex BTIC | \$0.60 |
| Non-Members | | | | |
| 5 | International Incentive Program (IIP) International Volume Incentive Program (IVIP) | Member, Delegate or Non-Member | BTIC | \$1.25 |
| | Latin American Fund Manager Incentive Program (FMIP) | Member, Delegate or Non-Member | BTIC | \$1.25 |
| | Non-Members | N/A | BTIC | \$1.25 |

| Processing Fees | Fee |
|---|----------------------|
| Exchange Fees for Non-Trades (Member/Delegate/Non-Member) | \$0.10/\$0.25/\$0.55 |
| Exchange Fees for Non-Trades - Expired Options | \$0.10 |
| Position Adjustment/Position Transfer | \$0.10 |
| Give-Up Surcharge | \$0.06 |
| Facilitation Fee | \$0.00 |