

**SUBMISSION COVER SHEET**

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

**Registered Entity Identifier Code (optional):** 21-018

**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):** 04/09/21    **Filing Description:** Amendments to the Options on Black Sea Wheat Financially Settled (Platts) Futures and Options on Black Sea Corn Financially Settled (Platts) Futures Contracts to Convert from European Style to American Style Expiration

**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:** See filing.

**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:** Options on Financially Settled Black Sea Wheat (Platts) Futures and Options on Financially Settled Black Sea Corn (Platts) Futures.

**Rule Numbers:** See filing.

April 9, 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. Notification Regarding Amendments to the Options on Black Sea Wheat Financially Settled (Platts) Futures and Options on Black Sea Corn Financially Settled (Platts) Futures Contracts to Convert from European Style to American Style Expiration. CBOT Submission No. 21-018**

Dear Mr. Kirkpatrick:

The Board of Trade of the City of Chicago, Inc. (“CBOT” or “Exchange”) hereby certifies to the Commodity Futures Trading Commission (“CFTC” or “Commission”) amendments to the Options on Black Sea Wheat Financially Settled (Platts) Futures and the Options on Black Sea Corn Financially Settled (Platts) Futures contracts (the “Contracts”) to convert the Contracts from European style to American style expiration effective on Sunday April 25, 2021 for trade date Monday April 26, 2021. There is no open interest in the Contracts.

Effective immediately and until Sunday, April 25, 2021 for trade date Monday, April 26, 2021, CBOT will suspend trading and clearing of the Contracts (collectively, the “Rule Amendments”).

<b>Contract Title</b>	<b>Rulebook Chapter</b>	<b>Commodity Code</b>
Options on Black Sea Wheat Financially Settled (Platts) Futures	14T	BWO
Options on Black Sea Corn Financially Settled (Platts) Futures	10E	BSO

Specifically, the Exchange is amending the Rule 14T101.G. and 10E101.G. (“Nature of Options”) and Rule 14T102. and 10E102. (“Cash Settlement”) of the Options on Black Sea Wheat Financially Settled (Platts) Futures and Options on Black Sea Corn Financially Settled (Platts) Futures contracts respectively to reflect the amendments from European style to American style expiration.

At the request of market participants, the Exchange is implementing the Rule Amendments to further enable the Contracts to exercise into their underlying futures contracts. Additionally, the Rule Amendments are intended to align the Contracts more closely with other similar agricultural market conventions and thereby enhance trading and clearing of the Contracts.

The Rule Amendments are provided in Exhibit A below with additions **underscoring** and deletions ~~struck through~~.

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:

- **Emergency Authority:** There is no open interest in the Contracts, and therefore there will be no market disruption related to the temporary suspension.
- **Availability of General Information:** The Exchange will make publicly available the details of the temporary suspension of the Contracts by publishing a Special Executive Report (“SER” to the marketplace. The SER will be available on CME Group’s website. Following the period of suspension, the Exchange will continue to publish on its website information regarding the Contract’s specifications, and conditions, as well as daily trading volume, open interest and price information.
- **Prevention of Market Disruption:** Following the period of suspension, trading in the Contracts will continue to be subject to the rules of the Exchange, which include prohibitions on manipulation, price distortion, and disruption to the cash settlement process.

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](mailto:CMEGSubmissionInquiry@cmegroup.com).

Sincerely,

/s/ Christopher Bowen  
Managing Director and Chief Regulatory Counsel

Attachment: Exhibit A – CBOT Rulebook Chapters 14T and 10E

**EXHIBIT A**  
**CBOT Rulebook**

**Chapter 14T**

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

**Options on Black Sea Wheat Financially Settled (Platts) Futures**

**14T101. OPTION CHARACTERISTICS**

**14T101.A. Contract Months**

Trading may be scheduled in such months as determined by the Exchange and the number of months open for trading at a given time shall also be determined by the Exchange.

**14T101.B. Trading Unit**

Each option reflects one fifty (50) metric tons Black Sea Wheat Financially Settled (Platts) futures contract with the same contract month.

**14T101.C. Minimum Fluctuations**

Prices shall be quoted in U.S. dollars and cents per metric ton. The minimum price fluctuation shall be \$0.05 per metric ton or \$2.50 per contract. However, a position may be initiated or liquidated at a premium of \$1.00 per option contract.

**14T101.D. Trading Hours**

The hours of trading for this contract shall be determined by the Exchange.

**14T101.E. Exercise Prices**

Trading shall be conducted for call and put options with strike prices in integral multiples of \$2.50 per metric ton. New strike prices at regularly defined intervals shall be added for trading on an as-needed basis.

**14T101.F. Position Limits, Exemptions, Position Accountability and Reportable Levels**

The applicable position limits and/or accountability levels, in addition to the reportable levels, are set forth in the Position Limit, Position Accountability and Reportable Level Table in the Interpretations & Special Notices Section of Chapter 5. A Person seeking an exemption from position limits for bona fide commercial purposes shall apply to the Market Regulation Department on forms provided by the Exchange, and the Market Regulation Department may grant qualified exemptions in its sole discretion. Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

**14T101.G. Nature of Option**

Options on Black Sea Wheat Financially Settled (Platts) futures contracts are ~~American-European-~~Style expiry options and may ~~not~~ be exercised **by the buyer on any Exchange Business Day prior to expiration. An Option that is in the money and has not been exercised or liquidated prior to the expiration day shall be exercised automatically.**

**A Call option on the Black Sea Wheat Financially Settled (Platts) futures contract represents an option for the buyer to assume a long position in the underlying Black Sea Wheat Financially Settled (Platts) futures at the strike price.**

**A Put option on the Black Sea Wheat Financially Settled (Platts) futures contract represents an option for the buyer to assume a short position in the underlying Black Sea Wheat Financially Settled (Platts) futures at the strike price.**

~~The options are financially settled on expiration day.~~

**14T101.H. Termination of Trading**

Trading terminates on the last trading day of the corresponding Futures contract.

**14T102. CASH SETTLEMENT**

~~For a Call option on Black Sea Wheat Financially Settled (Platts) futures contracts, the cash settlement amount on expiration day is the differential between the Floating Price and the strike price, multiplied by 50 metric tons, or zero, whichever is greater.~~

**For a Call option on Black Sea Wheat Financially Settled (Platts) futures contracts that is not exercised ahead of the expiration day, the settlement on expiration day is the differential between the underlying futures Final Settlement Price and the strike price multiplied by 50 metric tons, or zero which ever is greater on the day on which the option is exercised.**

**Where a Call Option is in the money and is exercised ahead of the expiration day, the options will expire into the Black Sea Wheat Financially Settled (Platts) futures contract.**

For a Put option on Black Sea Wheat Financially Settled (Platts) futures contracts, the cash settlement amount on expiration day is the differential between the strike price and the Floating Price, multiplied by 50 metric tons, or zero, whichever is greater.

**For a Put Option on Black Sea Wheat Financially Settled (Platts) futures contracts that is not exercised ahead of the expiration day, the settlement on expiration day is the differential between the strike price and underlying futures Final Settlement Price multiplied by 50 metric tons, or zero which ever is greater on the day on which the option is exercised.**

**Where a Put Option is in the money and is exercised ahead of the expiration day, the options will expire into the Black Sea Wheat Financially Settled (Platts) futures contract.**

The Floating Price for each contract month shall be equal to the arithmetic average of the "FOB Black Sea wheat (Russia, 12.5%)" price assessment published by Platts for each day that it is determined during the contract month. The Floating Price shall be rounded to the nearest \$0.01.

**14T103. OPTION PREMIUM FLUCTUATION LIMITS**

There are no option premium limits during any day for options on Black Sea Wheat Financially Settled (Platts) futures contracts.

**14T104. PAYMENT OF OPTION PREMIUM**

The option premium must be paid in full by each clearing member to the Clearing House and by each option customer to his futures commission merchant at the time that the option is purchased, or within a reasonable time after the option is purchased.

**14T105. DISCLAIMER**

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**Chapter 10E**  
**Options on Black Sea Corn Financially Settled (Platts) Futures**

**10E100. SCOPE OF CHAPTER**

This chapter is limited in application to put and call options on Black Sea Corn Financially Settled (Platts) futures contracts. In addition to the rules of this chapter, transactions in options on Black Sea Corn Financially Settled (Platts) futures shall be subject to the general rules of Exchange insofar as applicable.

**10E101. OPTION CHARACTERISTICS**

**10E101.A. Contract Months**

Trading may be scheduled in such months as determined by the Exchange and the number of months open for trading at a given time shall also be determined by the Exchange.

**10E101.B. Trading Unit**

Each option reflects one fifty (50) metric tons Black Sea Corn Financially Settled (Platts) futures contract with the same contract month.

**10E101.C. Minimum Fluctuations**

Prices shall be quoted in U.S. dollars and cents per metric ton. The minimum price fluctuation shall be \$0.05 per metric ton or \$2.50 per contract. However, a position may be initiated or liquidated at a premium of \$1.00 per option contract.

**10E101.D. Trading Hours**

The hours of trading for this contract shall be determined by the Exchange.

**10E101.E. Exercise Prices**

Trading shall be conducted for call and put options with strike prices in integral multiples of \$2.50 per metric ton. New strike prices at regularly defined intervals shall be added for trading on an as-needed basis.

**10E101.F. Position Limits, Exemptions, Position Accountability and Reportable Levels**

The applicable position limits and/or accountability levels, in addition to the reportable levels, are set forth in the Position Limit, Position Accountability and Reportable Level Table in the Interpretations & Special Notices Section of Chapter 5. A Person seeking an exemption from position limits for bona fide commercial purposes shall apply to the Market Regulation Department on forms provided by the Exchange, and the Market Regulation Department may grant qualified exemptions in its sole discretion. Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

**10E101.G. Nature of Option**

Options on Black Sea Corn Financially Settled (Platts) futures contracts are **American European-Style** expiry options and may not be exercised **by the buyer on any Exchange Business Day prior to expiration. An Option that is in the money and has not been exercised or liquidated prior to the expiration day shall be exercised automatically.**

**A call option on the Black Sea Corn Financially Settled (Platts) futures contract represents an option for a buyer to assume a long position in the underlying Black Sea Corn Financially Settled (Platts) futures at the strike price.**

**A put option on the Black Sea Corn Financially Settled (Platts) futures contract represents an option for a buyer to assume a short position in the underlying Black Sea Corn Financially Settled (Platts) futures at the strike price.**

The options are financially settled on expiration day.

**10E101.H. Termination of Trading**

Trading terminates on the last trading day of the corresponding Futures contract.

**10E102. CASH SETTLEMENT**

~~For a Call option on Black Sea Corn Financially Settled (Platts) futures contracts, the cash settlement amount on expiration day is the differential between the Floating Price and the strike price, multiplied by 50 metric tons, or zero, whichever is greater.~~

**For a Call option on Black Sea Corn Financially Settled (Platts) futures contract that is not exercised ahead of the expiration day, the settlement on expiration day is the differential between the underlying futures Final Settlement Price and the strike price multiplied by 50 metric tons, or zero which ever is greater on the day on which the option is exercised.**

**Where a Call Option is in the money and is exercised ahead of the expiration day, the options will expire into the Black Sea Corn Financially Settled (Platts) futures contract.**

**For a Put option on Black Sea Corn Financially Settled (Platts) futures contract that is not exercised ahead of the expiration day, the settlement on expiration day is the differential between the strike price and the underlying futures Final Settlement Price multiplied by 50 metric tons, or zero which ever is greater on the day on which the option is exercised.**

**Where a Put Option is in the money and is exercised ahead of the expiration day, the options will expire into the Black Sea Corn Financially Settled (Platts) futures contract.**

~~For a Put option on Black Sea Corn Financially Settled (Platts) futures contracts, the cash settlement amount on expiration day is the differential between the strike price and the Floating Price multiplied by 50 metric tons, or zero, whichever is greater.~~

~~The Floating Price for each contract month shall be equal to the arithmetic average of the "FOB Black Sea corn (Ukraine)" price assessment published by Platts for each day that it is determined during the contract month. The Floating Price shall be rounded to the nearest \$0.01.~~

**10E103. OPTION PREMIUM FLUCTUATION LIMITS**

There are no option premium limits during any day for options on Black Sea Corn Financially Settled (Platts) futures contracts.

**10E104. PAYMENT OF OPTION PREMIUM**

The option premium must be paid in full by each clearing member to the Clearing House and by each option customer to his futures commission merchant at the time that the option is purchased, or within a reasonable time after the option is purchased.

**10E105. DISCLAIMER**

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