



C.F.T.C.  
OFFICE OF THE SECRETARIAT

May 21, 2010

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Mr. David Stawick  
Office of the Secretariat  
Commodity Futures Trading Commission  
Three Lafayette Centre  
1155 21st Street, NW  
Washington, DC 20581

**RE: Launch Date, Initial Contract Listings, and Block Trade Eligibility for  
Standard Options on CBOT "Ultra" Long-Term U.S. Treasury Bond Futures  
CBOT Submission #10-133**

Dear Mr. Stawick:

The Board of Trade of the City of Chicago, Inc. ("CBOT" or "Exchange") wishes to inform the Commission that the Exchange intends to list standard options on Long-Term U.S. Treasury Bond ("Ultra Bond") futures for trading on **Monday, June 7, 2010**. The Exchange certified terms and conditions for such options with the Commission in CBOT Submission #09-178 on September 21, 2009. The Exchange will list such options for trading on both the GLOBEX electronic trading system and in open outcry. Initially, such options will be listed for expiration in August 2010, September 2010, and December 2010. Going forward, the Exchange intends to list options for expiration in the three nearest months in the March quarterly cycle (i.e., March, June, September, or December) in keeping with the current listing cycle of Ultra Bond futures delivery months, plus options for expiration in the two nearest serial months not in the March quarterly cycle.

Furthermore, pursuant to Commission Regulation 40.6 and Section 5c(c)(1) of the Commodity Exchange Act, the Exchange hereby certifies amendments to CBOT Rule 526. governing block trades in standard options on Ultra Bond futures. The Exchange certifies that these changes do not violate the Act or the Commission's regulations. In its original certification of terms and conditions for standard options on Ultra Bond futures, the Exchange designated such options as eligible for block trading, with minimum quantity thresholds of 7,500 contracts during Regular Trading Hours (07:00 – 16:00, Chicago time), 3,750 contracts during European Trading Hours (00:00 – 07:00, Chicago time), and 1,875 contracts during Asian Trading Hours (16:00 – 00:00, Chicago time). Insofar as these options will represent a new contract market at launch, the Exchange has determined that they should not initially be eligible for block trading.

Mr. David Stawick  
May 21, 2010  
Page 2

Please direct inquiries regarding this submission to Daniel Grombacher at 312.634.1583 or [daniel.grombacher@cmegroup.com](mailto:daniel.grombacher@cmegroup.com), or me. Please reference CBOT Submission #10-133 in any related correspondence.

Sincerely,

/s/ Stephen M. Szarmack  
Regulatory Counsel

Attachment

## Attachment 1

### Salient Features Standard Options on “Ultra” Long-Term U.S. Treasury Bond Futures

<b>Underlying Instrument</b>	One (1) Long-Term U.S. Treasury Bond futures contract of a specified delivery month
<b>Minimum Option Premium Increment</b>	One sixty-fourth of one point (\$15.625)
<b>Strike Price Intervals</b>	For price levels not less than zero, 61 strike price levels: one at-the-money strike price (closest to latest daily settlement price for corresponding futures), plus the next 30 consecutively higher price levels and the next 30 consecutively lower price levels in increments of one futures price point.
<b>Contract Months</b>	Initially, serial options for expiry in the nearest two months not in the March quarterly cycle, plus options for expiry in the nearest three months in the March quarterly cycle. Each serial option exercises into futures for delivery in the March quarterly cycle month next following the option expiration month. Each quarterly option exercises into futures for delivery in the option expiration month. For example, January, February, and March options exercise into March futures.
<b>Last Trading Day</b>	The last Friday which precedes by at least two business days the last business day of the month preceding the option expiration month. Trading in expiring options ceases at the close of the regular CME Globex trading session for the corresponding futures contract.
<b>Exercise</b>	American. The buyer of an option may exercise into an underlying futures position on any business day up to and including the day such option expires, by giving notice of exercise by 18:00, Chicago time, to the Clearing House. In-the-money options shall be automatically exercised after 18:00, Chicago time, on the last trading day unless notice to cancel automatic exercise is given to the Clearing House. Exercise, whether voluntary or automatic, is determined in relation to the daily settlement price of the underlying futures price.
<b>Expiration</b>	Unexercised options shall expire at 19:00, Chicago time, on the last trade date.
<b>Trading Hours</b>	Globex: 17:30 - 16:00, Chicago time, Sunday – Friday Open Auction: 07:20 - 14:00, Chicago time, Monday – Friday
<b>Ticker Symbols</b>	Globex: OUB Open Outcry: OUL
<b>Daily Price Limit</b>	None
<b>Position Accountability</b>	25,000 option contracts for all months and all strike prices combined in each option category (i.e., long call, long put, short call, and short put).
<b>Reportable Position Limits</b>	1,500 option contracts
<b>Block Minimum</b>	Block trading is prohibited.
<b>All-or-None Minimum</b>	2,500 contracts on an outright basis. For inter- and intra-market spreads, at least one leg must be no less than 2,500 contracts.