



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

2010 MAY 21 PM 4 11

May 21, 2010

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 Flexible Options on CBOT "Ultra" Long-Term U.S. Treasury Bond Futures CBOT Submission #10-134

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 flexible 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 #09-179 on September 21, 2009. The Exchange will list such options for trading in open outcry only. Initially, the Exchange shall permit trading in such flexible options as exercise into Ultra Bond futures for delivery in June 2010, September 2010, or December 2010, commensurate with the current listing cycle of Ultra Bond futures delivery months. Customarily, the Exchange shall permit trading in flexible options for exercise only into such Ultra Bond futures delivery months as are listed for trading.

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 flexible 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 flexible options on Ultra Bond futures, the Exchange designated such options as eligible for block trading, with a minimum quantity threshold of 7,500 contracts during Regular Trading Hours (07:00 – 16:00, 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, or me. Please reference CBOT Submission #10-134 in any related correspondence.

Sincerely,

/s/ Stephen M. Szarmack
Regulatory Counsel

Attachment

Attachment 1

**Salient Features
Flexible Options on "Ultra" Long-Term U.S. Treasury Bond Futures**

Underlying Instrument	One (1) Long-Term U.S. Treasury Bond futures contract of a specified delivery month
Minimum Option Premium Increment	One sixty-fourth of one point (\$15.625)
Strike Price Intervals	Points and 32nds of points on an outright futures contract basis or relative to the price of the underlying futures contract. Strike prices can be any strike that is not beyond the range of currently listed strike prices for standard options on Long-Term U.S. Treasury Bond futures.
Contract Months	Trading may be conducted in flexible options for exercise into any futures delivery month that is listed for trading. Each flex option shall exercise into futures for delivery in the March quarterly cycle month next following the option expiration date.
Expiration	Flexible option expiration may be specified for any Monday through Friday that is not an Exchange holiday, provided that expiration may not occur following the last Friday that precedes by at least two business days the last business day of the calendar month preceding the corresponding futures contract delivery month. Each flexible option shall expire at 19:00, Chicago time, on its expiration day. Flexible options that meet the criteria of standard options shall follow the expiration procedures as specified in the standard option rules.
Last Trading Day	Expiration day
Exercise	American or European exercise. Notification of intent to exercise a flexible option must be received by the Clearing House by 17:00, Chicago time. After the close on the last day of trading in such option, all in-the-money flexible options will be automatically exercised unless notice to cancel automatic exercise is given to the Clearing House by 17:00, Chicago time, on that day. Flexible options that meet the criteria of standard options shall follow the exercise procedures as specified in the standard option rules.
Trading Hours	Open Auction: 07:20 - 14:00, Chicago time, Monday – Friday
Ticker Symbols	American exercise: 97 European exercise: 98
Daily Price Limit	None
Position Accountability	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).
Reportable Position Limits	1,500 option contracts
Block Minimum	Block trading is prohibited.
All-or-None Minimum	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.