



Christopher Bowen
Managing Director and Chief Regulatory Counsel
Legal Department

June 26, 2013

VIA E-MAIL

Ms. Melissa Jurgens
Office of the Secretariat
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, N.W.
Washington, DC 20581

**RE: CBOT Submission No. 13-253R: Revisions to Listing of
KCBT-CBOT Wheat Intercommodity Spread Options**

Dear Ms. Jurgens:

The Board of Trade of the City of Chicago, Inc. ("CBOT" or the "Exchange") is notifying the Commodity Futures Trading Commission ("CFTC" or "Commission") that it is self-certifying the listing of KCBT-CBOT Wheat Intercommodity Spread Options, which are options on the spread between Board of Trade of Kansas City, Missouri, Inc. ("KCBT") Wheat Futures and CBOT Wheat Futures, for trading on CME Globex and on the CBOT trading floor beginning at 7:00 p.m. CT on Sunday, June 30, 2013, for trade date Monday, July 1, 2013.

Please note that CBOT is submitting 13-253R to revise information concerning the ticker symbols applicable to this contract. This revised information is reflected herein with additions underlined and deletions ~~overstruck~~. The remainder of the original submission 13-253 is unchanged.

In addition, the Exchange will allow the exchange for related position (EFRP) transactions to be submitted through CME ClearPort. EFRP transactions in this option contract will be governed by the provisions of Exchange Rule 538.

SPECIFICATIONS

Contract Size: One KCBT-CBOT wheat spread option reflects one KCBT wheat futures contract of a specified month, and one CBOT wheat futures contract of a specified month.

Tick Size: 1/8 of one cent per bushel (\$6.25 per contract).

Price Basis: The specified KCBT wheat futures price in cents per bushel minus the specified CBOT wheat futures price in cents per bushel.

Strike Price Interval: Strike prices will be listed in increments of five cents per bushel. The minimum strike price range will include the strike price closest to the current KCBT-CBOT futures spread price, plus the next ten consecutive higher and the next ten consecutive lower strike prices.

Contract Months: July (KCBT July:CBOT July); December (KCBT December:CBOT December)

Daily Price Limit: The sum of the trading limits for KCBT wheat futures and CBOT wheat futures. There shall be no price limits on the last trading day.

Last Trading Day: The last Friday which precedes by at least two business days, the last business day of the month preceding the option month.

Exercise: Financially Settled

Ticker Symbols CME Globex, Open Outcry and Clearing: KWC

~~Open Outcry and Clearing: XKC~~

Exchange Rules: This contract is listed with and subject to the rules and regulations of the CBOT

Trading Hours (Chicago time)

Open Outcry (CBOT trading floor): 8:30 a.m. – 1:15 p.m., Monday – Friday

CME Globex (electronic platform): 7:00 p.m. – 7:45 a.m., Sunday to Friday and 8:30 a.m. – 1:15 p.m., with a break in electronic trading from 7:45 a.m. to 8:30 a.m.

CME ClearPort: Sunday – Friday 5:00 p.m. – 4:15 p.m. CT with a 45-minute pause each day beginning at 4:15 p.m.

TRADING AND CLEARING FEES:

Level	Account Owner	Execution Type	Platform	Exchange Fee
Individual Member				
1	Individual Members	Member Trading Own Account	Open Auction	\$0.18
			Electronic	\$0.28
	Individual Delegates	Delegate Trading Own Account	Open Auction	\$0.48
			Electronic	\$0.58
Equity Members (Individual Equity members, Clearing Firms and Equity Firms)				
2	Equity Members ¹	Member or Delegate	Open Auction	\$0.18
			Electronic	\$0.28
	Equity Members ¹	Non Member	Open Auction	\$0.18
			Electronic	\$0.90
	(Exception) Rule 106.S. Family of Funds Equity Member Firms	Member, Delegate or Non Member	Open Auction	\$0.18
			Electronic	\$0.90

1 - Clearing Closely Held Corporate Members & Sole Proprietors, Rule 106.J. Equity Closely Held Corporate Members & Rule 106.I. Affiliate Equity Member Firms, Individual Equity Members (other member/delegate executing), Clearing FCMs, Rule 106.J. Equity FCMs, Clearing Corporate Members, Rule 106.J. Equity Corporate Members & Rule 106.I. Affiliate Equity Member Firm (Affiliate of Clearing FCM, Clearing Corporate Member or Rule 106.J Equity FCM or Equity Corporate Member), Rule 106.I. Affiliate Membership Umbrella - Qualified Affiliate - Unlimited Number of Affiliates

Note: Execution Not a Factor in Membership Types below

Level	Account Owner	Platform	Exchange Fee
Trading Members (Individual Non-Equity Members and Non-Equity Member Firms)			
3	Individual Non-Equity Members (other member/delegate executing); Rule 106.H. Corporate Trading Firms; Rule 106.H. Trading FCMs; & Rule 106.I. Affiliate Trading Member Firms	Open Auction	\$0.40
		Electronic	\$1.50
	Individual Delegates (Other Member or Delegate executing the trade) & Rule 106.I. Affiliate Trading Member Firms	Open Auction	\$0.70
		Electronic	\$1.80
	Rule 106.S. Family of Funds Equity Member Firms	Open Auction	\$0.40
		Electronic	\$1.50
Electronic Corporate Member Firms			
4	Electronic Corporate Members	Electronic	\$1.80
Non Members			
5	Non Members	Open Auction	\$1.20
		Electronic	\$3.50

Clearing, Ex-Pit Surcharge and Non Trade Processing Fees

Other CBOT Processing Fees	Rate
Clearing Fee	\$0.06
Position Adjustment/Position Transfers	\$0.10
Ex-Pit Surcharge (EFP)	\$0.75
Ex-Pit Surcharge (EFR)	\$1.25
Ex-Pit Surcharge (Block)	\$0.75
Exchange Fees for Non Trades	\$0.05 Member, \$0.20 Delegate, \$0.50 Non-Member
Exchange Fees for Expired Options	\$0.05
Facilitation Desk	\$0.20
Brokerage Fees	\$0.04/\$0.17

A copy of the Rule Chapter for the KCBT-CBOT Wheat Intercommodity Spread Options is attached as Appendix A. In addition, CBOT is self-certifying the insertion of the KCBT-CBOT Wheat Intercommodity Spread Option into the list of products covered by the non-reviewable range for CBOT Grains options in CBOT Rule 588.H. <http://www.cmegroup.com/rulebook/elements/links/grain-options.html> This insertion is included in Appendix B. Please note that this table is included only for reference and CBOT is not certifying changes to it because the values and ranges already listed for CBOT Wheat Options are the same as the values and ranges for this contract. An analysis of the product's underlying cash market and deliverable supply is attached as Appendix C.

The Exchange is also notifying the CFTC that it is self-certifying the insertion of the terms and conditions for the new contract into the Position Limit, Position Accountability and Reportable

Level Table and Header Notes located in the Interpretations and Special Notices Section of Chapter 5 of the CBOT Rulebook in relation to the listing of the new contract. These terms and conditions establish the single- and all-month speculative positions limits, reportable level, and aggregation allocation for the new contract and are attached under separate cover as Appendix D.

Exchange business staff responsible for this product and the Exchange legal department collectively reviewed the designated contract market core principles ("Core Principles") as set forth in the Commodity Exchange Act ("CEA"). During that review, Exchange staff identified that the listing of this contract may have some bearing on the following Core Principles:

- Compliance with Rules: Trading in the KCBT-CBOT Wheat Intercommodity Spread Options will be subject to the full range of trade practice rules in the CBOT Rulebook, including all monitoring, surveillance, and enforcement provisions.
- Contracts not readily subject to manipulation: This contract will be cash settled to the price difference between the liquid KCBT Wheat futures contract and the liquid CBOT Wheat futures contract, which provides diverse participation and sufficient transactions to support the settlement.
- Prevention of Market Disruption: Trading in the contract will be subject to CBOT Rule Chapters 4 and 7, which include prohibitions on manipulation, price distortion and disruptions of the delivery or cash-settlement process. As with all products listed for trading on CBOT, activity will be subject to monitoring and surveillance by CME Group Inc.'s Market Regulation Department.
- Position Limitations or Accountability: CBOT is adopting speculative position limits that are consistent with and do not exceed CFTC-referenced contract position limits for the underlying component futures contracts.
- Availability of General Information: CBOT will publish information on the contract's terms and conditions, trading rules, and specifications on its website.
- Daily Publication of Trading Information: Trading volume, open interest and price information for this contract will be published daily on CBOT's website.
- Execution of transactions: This product will be available for trading on the CBOT trading floor and CME Globex. This product is also available for EFRP on CME ClearPort so any similar OTC products can be exchanged for Exchange positions. The CBOT trading floor is available as a venue to provide for competitive and open execution of transactions. The CME Globex electronic trading platform provides for a competitive and open execution of transactions due to its advanced functionality, high reliability and global connectivity. CME ClearPort provides a competitive, open and efficient mechanism for novating transactions that are competitively executed by brokers.
- Trade Information: Trading information in this contract will be recorded and stored in such a manner as to allow for the information to be available for the purposes of preventing trading abuses and serving as evidentiary material in rule enforcement.

- Financial integrity of Transactions: All transactions in this contract will be cleared by CME Clearing, a derivatives clearing organization (“DCO”) registered with the Commission. Transactions submitted to CME Clearing are subject to the financial integrity requirements applicable to DCOs and are guaranteed by the clearing house and its clearing members.
- Protection of Markets and Market Participants: CBOT Rule Chapters 4 and 5 contain multiple prohibitions precluding intermediaries from disadvantaging their customers. These rules apply to trading on all of CBOT’s competitive trading venues and will be applicable to transactions in this product.
- Disciplinary Procedures: Rule Chapter 4 empowers CBOT to discipline, suspend or expel members or market participants that violate the rules. Trading in these contracts will be subject to Chapter 4, and the Market Regulation Department has the authority to exercise its enforcement power in the event rule violations in this product are identified.
- Dispute Resolution: Disputes with respect to trading in this contract will be subject to the arbitration provisions set forth in CBOT Rule Chapter 6. The rules in Chapter 6 allow all nonmembers to submit to arbitration a claim for financial losses resulting from transactions on the Exchange. A member named as a respondent in a claim submitted by a nonmember is required to participate in the arbitration pursuant to the rules in Chapter 6. Additionally, CBOT requires that members resolve all disputes concerning transactions on the Exchange via arbitration.

The Exchange certifies that the listing of this contract complies with the CEA and regulations thereunder. 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>.

If you require any additional information regarding this submission, please contact me at 212-299-2200 or Christopher.Bowen@cmegroup.com, or John McKinlay at 312-930-3028 or John.McKinlay@cmegroup.com and reference CBOT Submission No. 13-253R in any related correspondence.

Sincerely,

/s/ Christopher Bowen
Managing Director and Chief Regulatory Counsel

Attachments: Appendix A: CBOT Rule Chapter 14F
Appendix B: Rule 588.H - Globex Non-Reviewable Trading Ranges
Appendix C: Underlying Cash Market and Deliverable Supply Analysis
Appendix D: Position Limit, Position Accountability and Reportable Level Table at the end of CBOT Rule Chapter 5 (attached under separate cover)

Appendix A
Chapter 14F
KCBT-CBOT Wheat Intercommodity Spread Options

14F00. SCOPE OF CHAPTER

This chapter is limited in application to put and call options on KCBT-CBOT Wheat Intercommodity spreads. In addition to the rules of this chapter, transactions in KCBT-CBOT wheat spread options shall be subject to the general rules of the Exchange insofar as applicable.

14F01. OPTIONS CHARACTERISTICS

14F01.A. Contract Months

Trading in KCBT-CBOT Wheat Intercommodity spread options may be scheduled in such months as determined by the Exchange.

14F01.B. Trading Unit

One KCBT-CBOT Wheat Intercommodity spread option reflects one (1) KCBT Wheat futures contract of a specified contract month on the Board of Trade of Kansas City, Missouri, Inc., and one (1) opposing CBOT Wheat futures contract of a specified contract month on the Board of Trade of the City of Chicago, Inc.

The KCBT-CBOT Wheat Intercommodity spread is calculated in cents/bushel as:

KCBT Wheat futures price in cents/bu – CBOT Wheat futures price in cents/bu.

14F01.C. Minimum Fluctuations

The premium for KCBT-CBOT Wheat Intercommodity spread options shall be in multiples of one-eighth (1/8) of one cent per bushel, or six dollars and twenty five cents (\$6.250) per contract.

However, a position may be initiated or liquidated in KCBT-CBOT Wheat Intercommodity spread options at premiums ranging from \$1.00 to \$6.00, in \$1.00 increments per option contract.

14F01.D. Trading Hours

The hours for trading of KCBT-CBOT Wheat Intercommodity spread options contracts shall be determined by the Exchange. KCBT-CBOT Wheat Intercommodity spread options shall be opened and closed for all months and strike prices simultaneously.

14F01.E. Exercise Prices

Trading shall be conducted for put and call options with strike prices in integral multiples of five cents per bushel per KCBT-CBOT Wheat Intercommodity spread option. At the commencement of trading for such option contracts, the following strike prices shall be listed: one with a strike price closest to the difference between the previous day's corresponding KCBT-CBOT Wheat settlement prices (the at-the-money strike); the next ten consecutive higher and the next ten consecutive lower strike prices from the at-the-money strike. If the difference between the previous day's settlement prices is midway between two strike prices, the closest price shall be the larger of the two. New strike prices will be added through time to assure ten strikes above and below the at the money strike. When a new strike price is added for an option contract month, the same strike price will be added to all option contract months for which that strike price is not already listed.

All strikes will be listed prior to the opening of trading on the following business day. Upon demand and at the discretion of the Exchange, new out-of-current-range strike prices at regularly defined intervals may be added for trading on as soon as possible basis.

The Exchange may modify the procedures for the introduction of strikes as it deems appropriate in order to respond to market conditions.

14F01.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.

14F01.G. Reserved

14F01.H. Reserved

14F01.I. Termination of Trading

Subject to the provisions of rule 14x01.D no trades in KCBT-CBOT Wheat Intercommodity spread options expiring in the current month shall be made after the close of trading of the open outcry trading session on the day identical to the expiration of standard CBOT Wheat options and standard KCBT wheat options. Therefore, expiration will occur on the last Friday which precedes by at least two business days, the last business day of the month preceding the option month. If such Friday is not a business day, the last day of trading shall be the business day prior to such Friday. For example, the July KCBT-CBOT Wheat Intercommodity spread option (July KCBT wheat minus July CBOT wheat) will expire on the last Friday which precedes by at least two business days the last business day of June; the December-December KCBT-CBOT Wheat Intercommodity spread option (December KCBT wheat minus December CBOT wheat) will expire on the last Friday which precedes by at least two business days the last business day of November.

14F01.J. Contract Modification

Specifications shall be fixed as of the first day of trading of a contract except that all options must conform to government regulations in force at the time of exercise. If the U.S. government, an agency, or duly constituted body thereof issues an order, ruling, directive, or law inconsistent with these rules, such order, ruling, directive, or law shall be construed to become part of the rules and all open and new options contracts shall be subject to such government orders.

14F02. EXERCISE

KCBT-CBOT Wheat Intercommodity spread options will be cash settled on expiration day.

KCBT-CBOT Wheat Intercommodity spread options cannot be exercised at any time during the life of the option.

14F03. ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES

(Refer to Rule 701.).

14F04. RESERVED

14F05. OPTION PREMIUM FLUCTUATION LIMITS

Trading is prohibited during any day except for the last day of trading in a KCBT-CBOT Wheat Intercommodity spread option at a premium of more than the sum of the trading limits for the CBOT Wheat futures contract and the KCBT Wheat futures contract, above and below the previous day's settlement premium for that option as determined by the Clearing House.

14F06. 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.

Appendix B

**List of products included in CBOT Rule 588.H (Globex Non-Reviewable Trading Ranges);
Options table; under the link in the instrument column entitled Grains (CBOT)
(additions underlined)**

Grains (CBOT)

Corn Options
Wheat Options
MGEX-CBOT Wheat Spread Options
Soybean Options
Oat Options
Rough Rice Options
Corn Calendar Spread Options
Wheat Calendar Spread Options
Soybean Calendar Spread Options
Soybean Crush Options
Wheat-Corn Intercommodity Spread Options
KCBT-CBOT Wheat Intercommodity Spread Options

Appendix C
Cash Market and Deliverable Supply Analysis

KCBT – CBOT Wheat Intercommodity Spread Options are a financially settled options product on the spread between KCBT Wheat futures and CBOT Wheat futures. Wheat deliverable on KCBT Wheat futures is hard red winter (HRW) while soft red winter (SRW) wheat is the deliverable grade on CBOT Wheat futures. The protein content of KCBT Wheat is higher than CBOT Wheat and typically trades at a premium compared to CBOT Wheat. The KCBT – CBOT spread is a popular spread used to hedge price risk and help determine premiums for higher quality HRW wheat versus SRW wheat.

The option will be a cash-settled European exercise option and will have strike values based on the price differential of KCBT minus CBOT. Option expiration will occur on the same day and at the same time as standard and serial options. Setting expiration consistent with standard and serial options results in added liquidity in the underlying markets and also assures expiration prior to the underlying futures contracts going into delivery. The following expirations will be available:

<u>Option Month</u>	<u>KCBT Leg</u>	<u>CBOT Leg</u>	<u>Expires</u>
July	July	July	June
December	December	December	November

Initially, options on the December 2013 and the July 2014 spreads will be listed. The underlying futures legs are among the most heavily traded contract months on both KCBT and CBOT.

The inter-market spread that underlies the option is available and trades on CME Globex with implied functionality enabled. In all ways the KCBT – CBOT Wheat Intercommodity Spread Options will be consistent with the already existing option on the MGEX-CBOT Wheat Intercommodity Spread, which was listed in April 2012. The additional combinations of KCBT-CBOT and MGEX-KCBT spread options will complete a suite of intercommodity wheat spread options that will bring value to all wheat market participants who trade different wheat varieties.

KCBT Wheat Deliverable Supply

All wheat 2012/13 U.S. production was 2.27 billion bushels with hard red winter (HRW) wheat, the deliverable class on KCBT Wheat futures, representing just over 1 billion bushels or just over 44 percent of total U.S. wheat production. HRW is high-protein wheat that is primarily milled into flour used in bread production. The USDA estimated 2012/13 U.S. HRW wheat crop of just over 1 billion bushels represents a 29 percent increase from the drought ravished 2011/12 HRW crop.

Delivery Capacity:

The following switching limits are defined for delivery in KCBT Wheat futures:

- 1.) Kansas City, Missouri/Kansas,
- 2.) Hutchinson, Kansas,
- 3.) Salina/Abilene, Kansas, or
- 4.) Wichita, Kansas.

Below are the facilities regular for delivery on Wheat futures as of January 24, 2013 along with their storage capacity in bushels and maximum number of warehouse receipts they may issue, with each warehouse receipt equivalent to 5,000 bushels:

KANSAS CITY

ADM Grain Company Milwaukee (KCS) 1,304,000 (260 receipts)
ADM Grain Company Wolcott (UP) 2,526,000 (505 receipts)
Bartlett Grain Company, LP River Rail (UP) 10,291,000 (2,058 receipts)
Bartlett Grain Company, LP KCT #1 (BNSF) 4,307,000 (861 receipts)
Bartlett Grain Company, LP Fairfax (UP) 10,039,000 (2,007 receipts)
Cargill, Inc. Chouteau (BNSF) 927,000 (185 receipts)
Cargill, Inc. Katy (UP) 4,332,000 (864 receipts)

Storage Capacity - Kansas City 33,726,000 (6,740 receipts)

HUTCHINSON

ADM Grain Company Elevator A (UP) 4,071,000 (814 receipts)
ADM Grain Company Elevator B (BNSF & UP) 1,869,000 (373 receipts)
ADM Grain Company Elevator I (BNSF) 6,836,000 (1,367 receipts)
ADM Grain Company Elevator J (BNSF & UP) 18,307,000 (3,661 receipts)
Cargill, Inc. Hutchinson (BNSF & UP) 4,394,000 (878 receipts)
Cargill, Inc. Hutchinson W (UP) 4,448,000 (889 receipts)

Storage Capacity - Hutchinson 39,925,000 (7,982 receipts)

SALINA/ABILENE

ADM Grain Company Salina A (UP) 4,197,000 (839 receipts)
Cargill, Inc. Salina (K&O) 31,669,000 (6,333 receipts)
Gavilon Grain, LLC Abilene (BNSF & UP) 1,392,000 (278 receipts)
The Scouler Company Salina (UP) 11,077,000 (2,215 receipts)

Storage Capacity - Salina/Abilene 48,335,000 (9,665 receipts)

WICHITA

Bartlett Grain Company, LP Wichita (BNSF) 12,080,000 (2,416 receipts)
Gavilon Grain, LLC Wichita (K&O) 30,542,000 (6,108 receipts)
Horizon Milling, LLC Wichita (BNSF & UP) 5,682,000 (1,136 receipts)

Storage Capacity - Wichita 48,304,000 (9,660 receipts)

As of January 16, 2013, firms regular for delivery on KCBT Wheat futures had regular storage capacity of over 170 million bushels and the ability to issue up to 34,047 warehouse receipts.

Deliverable Supply Estimate:

Each Tuesday the KCBT publishes wheat meeting deliverable grades that are in-store as of the previous Friday at all regular delivery facilities. Deliverable supply is estimated as the stocks of grain in regular facilities on the Friday prior to First Notice Day. Although this measure does not distinguish stocks under long-term agreements, it is likely a very conservative estimate of deliverable supply because it does not count the significant amount of wheat that is likely near the delivery facilities and could easily be placed into delivery position very quickly.

Futures Contract Expiration	Stocks of Wheat in Regular Facilities on the Friday prior to FND (1M Bushels)
Mar-10	66.99
Mar-11	82.98
Mar-12	60.29
MAR AVG	70.09
May-10	59.13
May-11	77.22
May-12	49.93
MAY AVG	62.09
Jul-10	84.72
Jul-11	85.54
Jul-12	85.03
JUL AVG	85.10
Sep-10	106.44
Sep-11	96.80
Sep-12	100.32
SEP AVG	101.19
Dec-10	92.88
Dec-11	81.63
Dec-12	95.75
DEC AVG	90.09
AVG ALL DELV MONTHS	81.71

As the table above shows, estimated deliverable supply for all delivery months over the past three calendar years has been 81.71 million bushels or 16,342 contract equivalents. The

delivery month with the largest estimated deliverable supply is the September expiration with average delivery stocks of 101.19 million bushels (20,238 contract equivalents) and the delivery month with the smallest estimated deliverable supply is the May expiration with average delivery stocks of 62.09 million bushels (12,418 contract equivalents).

Twenty-five percent of the average estimated deliverable supply (16,342 contracts) is 4,086 contracts and 25 percent of the smallest estimated monthly deliverable supply (12,418 contracts) is 3,105 contracts. The spot-month position limit in KCBT Wheat futures is 600 contracts.

CBOT Wheat Deliverable Supply

All wheat production in the United States this past season was 2.27 billion bushels, with soft red winter wheat representing 0.42 billion bushels. Soft red winter wheat, which is the underlying wheat class for the CBOT Wheat futures contract, is primarily used to make cookies, cakes and crackers and also as a livestock feed. USDA estimates the 2012/13 U.S. soft red winter wheat crop at 0.42 billion bushels, an 8.2 percent reduction compared to 2011/12 due to wheat acres being replaced by relatively higher priced corn.

Delivery Capacity:

The following territories are defined for delivery in CBOT Wheat futures:

- A. Chicago and Burns Harbor, Indiana Switching District - The Chicago Switching District is the area geographically defined by Tariff ICC WTL 8020-Series and that portion of the Illinois Waterway at or above river mile 304 which includes the Calumet Sag Channel and the Chicago Sanitary & Ship Canal. The Burns Harbor, Indiana Switching District is the area geographically defined by the boundaries of Burns Waterway Harbor at Burns Harbor, Indiana which is owned and operated by the Indiana Port Commission.
- B. The Toledo, Ohio Switching District. – The Toledo, Ohio switching district includes any facility that has a Toledo tariff.
- C. St. Louis-East St. Louis and Alton Switching District - The St. Louis-East St. Louis and Alton Switching Districts will be the portion of the upper Mississippi River below river mile 218 at Grafton, IL and above river mile 170 at Jefferson Barracks Bridge in south St. Louis, MO.
- D. The Northwest Ohio Territory shall be shuttle loading facilities within the following 12 counties: Allen, Crawford, Hancock, Hardin, Henry, Huron, Marion, Putnam, Sandusky, Seneca, Wood, and Wyandot.
- E. The Ohio River facilities shall be river loading facilities on the Ohio River from mile marker 455 to the Mississippi River.
- F. The Mississippi River facilities shall be river loading facilities on the Mississippi River downriver from the St. Louis-East St. Louis Alton Switching District to mile marker 715.

Facilities approved for delivery on Wheat futures in the Mississippi River, Ohio River and St. Louis-East St. Louis-Alton territories are limited in the number of shipping certificates that they may issue to an amount not to exceed 20 times their total daily rate of loading barges, while facilities in the Chicago, Burns Harbor, Toledo and Northwest Ohio delivery territories shall not deliver more than their registered storage capacity. **As of January 2013, firms regular for delivery on CBOT Wheat futures had approved capacity to issue 39,042 shipping certificates, or 195.21 million bushels of wheat.**

Below are the facilities regular for delivery on CBOT Wheat futures in January 2013 along with the maximum number of shipping certificates they may issue, with each shipping certificate equivalent to 5,000 bushels:

Firm	Location	Max Certificates
Cargill, Inc.	Burns Harbor Elevator Portage, IN	1,553
Chicago & Illinois River Marketing LLC	Elevator B Chicago, IL	2,462
The Andersons	Andersons-Illinois Elevator Maumee, Ohio	3,391
The Andersons	River Elevator Toledo, Ohio	1,230
The Andersons	Conant Street Elevator Maumee, Ohio	656
The Andersons	Edwin Drive Elevator Toledo, Ohio	1,100
The Andersons	Toledo, Ohio (Reynolds Rd)	196
ADM Grain Company	Toledo Elevator Toledo, Ohio	1,959
ADM Grain Company	Ottawa Lake Elevator Ottawa Lake, MI	1,536
ADM Grain Company	Sauget, IL	220
Archer-Daniels-Midland Co.	St. Louis Elevator St. Louis, MO	314
Cargill Inc.	Elevator East St. Louis, IL	440
ConAgra Foods, Inc.	Alton, IL	677
Consolidated Grain and Barge	Cahokia, IL	220
Cargill, Inc.	Lima, OH	418
Deshler Farmers Elevator Company	Custar, OH	605
Sunrise Cooperative	Clyde, OH	1,602
Sunrise Cooperative	Galion, OH	743
Sunrise Cooperative	Wakeman, OH	950
Heritage Cooperative, Inc.	Upper Sandusky, OH	560
Heritage Cooperative, Inc.	Kenton, OH	720
Blanchard Valley Farmers Cooperative Inc.	Fostoria, OH	1,710
Blanchard Valley Farmers Cooperative Inc.	Findlay, OH	583
Gavilon Grain LLC	Harpster, OH	457
ADM Grain Company	Newburgh, IN	440
ADM Grain Company	Evansville, In (Broadway)	440
ADM Grain Company	Evansville, IN (Dixie Flyer)	220
ADM Grain Company	Rockport, IN	440

ADM Grain Company	Mound City, IL	440
ADM Grain Company	Paducah, KY	220
ADM Grain Company	Ledbetter, KY	220
ADM Grain Company	Silver Grove, KY	440
ADM Grain Company	Henderson, KY	220
Bunge North America	Owensboro, KY	220
Bunge North America	Shawneetown, IL	440
Cargill, Inc.	Cincinnati, OH (Kellogg Avenue)	220
Cargill, Inc.	Cincinnati, OH (River Road)	220
Cargill, Inc.	Evansville, IN	220
Cargill, Inc.	Mt. Vernon, IN	440
Consolidated Grain and Barge	Cincinnati, OH (Anderson Ferry)	220
Consolidated Grain and Barge	Cincinnati, Oh (Southside Riverside)	220
Consolidated Grain and Barge	Aurora, IN	220
Consolidated Grain and Barge	Jeffersonville, IN	220
Consolidated Grain and Barge	Mt. Vernon, IN	220
Consolidated Grain and Barge	Mound City, IL	220
Consolidated Grain and Barge	Uniontown, KY	220
Gavilon Grain LLC	Maceo, KY	220
Gavilon Grain LLC	Henderson, KY	440
Owensboro Grain Company	Owensboro, KY	220
ADM Grain Company	New Madrid, MO	440
ADM Grain Company	Memphis, TN	440
Bunge North America	Grand Tower, IL	220
Bunge North America	Hickman, KY	440
Bunge North America	Portageville, MO	440
Bunge North America	Caruthersville, MO	440
Bunge North America	Finley, TN	220
Bunge North America	Blytheville, AR	440
Bunge North America	Osceola, AR (Riverside)	220
Bunge North America	Osceola, AR (Landside)	220
Bunge North America	Memphis, TN	220
Bunge North America	West Memphis, AR	440
Cargill, Inc.	Buffalo Island, MO	220
Cargill, Inc.	New Madrid, MO	220
Cargill, Inc.	Hickman, KY	220
Cargill, Inc.	Tiptonville, TN	220
Cargill, Inc.	Memphis, TN	220
Consolidated Grain and Barge	Charleston, MO	220
Consolidated Grain and Barge	Cape Girardeau, MO	220
Consolidated Grain and Barge	Caruthersville, MO	220

Consolidated Grain and Barge	Caruthersville, MO (Cottonwood Point)	220
Consolidated Grain and Barge	East Prairie, MO	220
Consolidated Grain and Barge	Scott City, MO	220
Consolidated Grain and Barge	Osceola, AR	220
Consolidated Grain and Barge	West Memphis, AR	220
Poinsett Rice and Grain, Inc.	Osceola, AR	220
The Scoular Company	Memphis, TN	220

Deliverable Supply Estimate:

Each Tuesday the Registrar's Office publishes wheat meeting deliverable grades that are in-store as of the previous Friday at all regular delivery facilities. The USDA-AMS publishes a weekly Grain Transportation Report (GTR) that covers developments affecting the transport of grain, both in the domestic and international marketplace (<http://www.ams.usda.gov/AMSV1.0/gtr>). This weekly publication reports on the latest volume and price data for barges, railroads, trucks, and ocean vessels involved in the transport of grain. Included in this report is the amount of wheat shipped through Lock 52¹ on the Ohio River, which is a measure of wheat flowing through the Ohio River delivery territory for Wheat futures.

Deliverable supply is estimated as the stocks of grain in regular facilities on the Friday prior to First Notice Day plus the amount of wheat that passes through Lock 52 on the Ohio River during the four weeks prior to First Notice Day². This is likely a very conservative estimate of deliverable supply because it does not count the significant amount of wheat that is likely near the delivery facilities and could easily be placed into delivery position very quickly.

Futures Contract Expiration	Wheat Movement through Lock 52 on the OH River during the 4 Weeks Prior to FND (1M Bushels)	Stocks of Wheat in Regular Facilities on the Friday prior to FND (1M Bushels)	Total Stocks (1M Bushels)
Mar-10	0.62	82.85	83.48
Mar-11	1.07	61.89	62.95
Mar-12	0.81	72.34	73.15
MAR AVG	0.83	72.36	73.19
May-10	0.51	78.86	79.38

¹ http://marinas.com/view/lock/31_Ohio_River_Lock_52_Brookport_IL_United_States

² This analysis does not include SRW wheat flowing down the Illinois and Upper Mississippi Rivers that would also be deliverable on the CBOT Wheat futures contract in the Alton – St. Louis delivery territory. Wheat statistics are available on the lowest lock on the Mississippi River, which would capture these data, but because these stocks are not differentiated between classes and likely contain significant amounts of spring wheat, the Exchange decided not to include these stocks in this analysis. Spring wheat is deliverable on CBOT Wheat futures, but rarely if ever delivered, so this analysis focuses on SRW wheat. Ohio River stocks included in this report are predominantly, if not virtually all, SRW wheat.

	May-11	1.80	54.56	56.36
	May-12	1.87	63.48	65.35
	MAY AVG	1.40	65.63	67.03
	Jul-10	0.51	65.52	66.04
	Jul-11	1.36	57.37	58.73
	Jul-12	2.24	76.54	78.78
	JUL AVG	1.37	66.48	67.85
	Sep-10	1.58	77.87	79.45
	Sep-11	3.64	79.95	83.59
	Sep-12	0.96	84.95	85.90
	SEP AVG	2.06	80.92	82.98
	Dec-10	0.22	72.46	72.68
	Dec-11	1.07	77.31	78.38
	Dec-12	0.40	82.20	82.60
	DEC AVG	0.56	77.32	77.89
	AVG ALL DELV MONTHS	1.24	72.54	73.79

As the table above shows, estimated deliverable supply for all delivery months over the past three calendar years has been 73.79 million bushels or 14,757 contract equivalents. The delivery month with the largest estimated deliverable supply is the September expiration with average delivery stocks of 82.98 million bushels (16,596 contract equivalents) and the delivery month with the smallest estimated deliverable supply is the May expiration with average delivery stocks of 67.03 million bushels (13,406 contract equivalents).

Unfortunately there is no readily available data on wheat under long-term contracts or agreements that could not be delivered on futures and should not be counted in deliverable supply estimates. To get a sense of the extent wheat is under long-term agreements and not deliverable, CBOT reached out to three major wheat regular delivery firms. Feedback from these firms indicates generally zero (0) percent of wheat in their facilities is under long-term agreement and could not be delivered against Wheat futures. One firm indicated generally zero percent under long-term agreement but at the very most five percent during some limited time frames. Given this feedback and the conservative nature of the estimate, CBOT does not believe wheat stocks under long-term agreements significantly affect deliverable supply.

Twenty-five percent of the average estimated deliverable supply (14,757 contracts) is 3,689 contracts and 25 percent of the smallest estimated monthly deliverable supply (13,406 contracts) is 3,352 contracts. The spot-month position limit in CBOT Wheat futures is 600 contracts.

KCBT – CBOT Wheat Intercommodity Spread Options expire prior to the underlying futures contracts becoming spot-month contracts. Just like standard and serial KCBT Wheat options, positions in this option will be aggregated into both KCBT Wheat futures and CBOT Wheat futures for compliance with single- and all-month speculative position limits.

Appendix D

(attached under separate cover)

Contract Name

KCBT-CBOT Wheat Intercommodity Spread Options

Rule
Chapter

14x

Commodity
Code

KWC

Contract

Size

Contract Units

Type

2 Long (Short) 1 KCBT Wheat and Short (Long) 1 CBT Wheat

European option

Settlement	Group	Diminishing Balance Contract	Reporting Level
<u>Financially settled futures</u>	<u>CBT COMMODITY</u>		<u>150</u>

	Spot-Month				
Position Limit in	Spot-Month	Spot-Month	Spot-Month		
Shipping	Aggregate Into	Aggregate	Aggregate		Initial Spot-
Certificates,	Futures	Ratio Into	Ratio Into		Month Limit (In
Warehouse	Equivalent Leg	Futures	Futures	Spot-Month	Net Futures
Receipts	(1)	Equivalents	Equivalents	Accountability	Equivalents) Leg
		Leg (1)	Leg (2)	Level	(1)/ Leg (2)

	Second Spot-Month		Single Month		
Initial Spot-Month Limit Effective Date	Second Spot-Month Limit (In Net Futures Equivalents)	Second Spot-Month Limit Effective Date	Single Month Aggregate Into Futures Equivalent Leg (1)	Single Month Aggregate Into Futures Equivalent Leg (2)	Single Month Aggregate Ratio Into Leg (1)
			<u>KW</u>	<u>W</u>	

	Single Month		
Single Month	Accountability Level (In	Single Month Limit (In Net	
Aggregate Ratio	Net Futures Equivalents)	Futures Equivalents) Leg	"Intra Crop Year
Into Leg (2)	Leg (1) / Leg (2)	(1) / Leg (2)	Spread Allowance"
		<u>12,000(KW)/12,000(W)</u>	

		All Month		
		All Month	All Month	
		Aggregate	Aggregate	All Month
All Month Limit	All Month Limit	Ratio Into	Ratio Into	Accountability Level (In
Aggregate Into	Aggregate Into	Futures	Futures	Net Futures
Futures Equivalent	Futures Equivalent	Equivalents	Equivalents	Equivalents) Leg (1) /
Leg (1)	Leg (2)	Leg (1)	Leg (2)	Leg (2)
<u>KW</u>	<u>W</u>			

All Month Limit (In Net Futures Equivalents)

Leg (1) / Leg (2)

12,000(KW)/12,000(W)