

**DATE:** May 17, 2019

**MKR#:** MKR05-17-19

**SUBJECT:** Amendments to CBOT Chapter 7 (“Delivery Rules and Procedures”)

---

Effective Sunday, June 2, 2019 for trade date Monday, June 3, 2019, and pending all relevant CFTC regulatory review periods, The Board of Trade of the City of Chicago, Inc. (“CBOT” or “Exchange”) will amend Rule 703.C.G.(9) (“Load-Out”) as more specifically described below.

Recently, the U.S. Army Corps of Engineers has announced plans to temporarily close waterway locks and dams on the Illinois River to perform maintenance, tentatively scheduled to begin July 1, 2020. Pursuant to Rule 703.C.G.(9), in the event that it has been announced by the U.S. Coast Guard, after consulting with the U.S. Army Corps of Engineers and the River Industry Action Committee, the Illinois River traffic will be obstructed for a period of fifteen (15) days or longer as a result of a condition of impossibility and in the event that the obstruction will affect a majority of regular shipping stations, then the barge load-out procedures in Rule 703.C.G.(9) for corn, soybeans, and SRW wheat at facilities in the St. Louis-Alton Territory and on the Ohio and Mississippi River shall apply to shipping stations upriver from the obstruction. Due to the anticipated closure, the Exchange reviewed the language in Rule 703.C.G.(9) and found it to be outdated.

Rule 703.C.G.(9) stipulates specific barge freight to be paid by the taker to the maker of delivery under this rule. However, since barge freight has become significantly more expensive in the last two decades, the amount specified in Rule 703.C.G.(9) is no longer relevant. The Exchange will delete numerical values from Rule 703.C.G.(9) and insert language stating that current barge freight rates, available publicly via the USDA-AMS Transportation Report, apply. The Rule Amendments ensure that Rule 703.C.G.(9) shall remain current and accurate regardless of the price of barge freight.

Amendments to CBOT Chapter 7 may be viewed in blackline format in Appendix A of CFTC Submission No. 19-152, found [here](#). Please refer questions on this subject to:

**Market Regulation**

William Lange at 312-341-7757 or [William.Lange@cmegroup.com](mailto:William.Lange@cmegroup.com)

Terry Gehring at 312-435-3644 or [Terry.Gehring@cmegroup.com](mailto:Terry.Gehring@cmegroup.com)

**Research & Product Development**

Fred Seamon at 312-634-1587 or [Fred.Seamon@cmegroup.com](mailto:Fred.Seamon@cmegroup.com)