



Special Executive Report

S-7038

March 12, 2014

Implementation of Variable Price Limits for Grain and Oilseed Futures and Elimination of Price Limits on Grain and Oilseed Options

Effective Thursday, May 1, 2014, pending CFTC approval, the Board of Trade of the City of Chicago, Inc. (CBOT or Exchange) will implement variable price limits for grain and oilseeds futures and eliminate price limits on grain and oilseeds options. Products impacted include Corn, Soybeans, Chicago Soft Red Winter (SRW) Wheat, KC Hard Red Winter (HRW) Wheat, Mini-sized Corn, Mini-sized Soybeans, Mini-sized Wheat, Soybean Oil, Soybean Meal, Oats, and Rough Rice.

Currently, the Exchange applies fixed daily price limits on all CBOT grain and oilseed futures and options. The new variable price limit mechanism will allow higher limits when prices are high and lower limits when prices are low. The new mechanism is described below:

The new variable price limit mechanism resets price limits in each of the CBOT grain and oilseed futures contract every six months. The first reset date would be the first trading day in May based on the following: Daily settlement prices will be collected for the July contracts for each of the CBOT grain and oilseed futures products over 45 consecutive trading days before and on the business day prior to April 16th. Average prices for each contract will be calculated based on the collected settlement prices and then multiplied by seven percent. The resulting number would be rounded to the nearest 5 cents/bushel for Corn, Soybeans, CBOT SRW Wheat, KC HRW Wheat, and Oat futures; \$5/ton for Soybean Meal futures; 0.5 cents/pound for Soybean Oil futures; and \$0.05/cwt for Rough Rice futures to determine the new initial price limits for futures.

The second reset date would be the first trading day in November. The November price limit reset will be determined in a manner similar to the first reset in May. The only difference would be that December contracts (November contracts for Soybeans and Rough Rice futures) will be observed over 45 consecutive trading days before and on the business day prior to October 16th.

The Exchange will implement the following price limit floors to ensure the limits will not be overly restrictive: 20 cents/bushel for Corn and Mini-sized Corn futures; 30 cents/bushel for Chicago SRW Wheat, Mini-sized Chicago SRW Wheat, and KC HRW Wheat futures; 50 cents/bushel for Soybean and Mini-sized Soybean futures; \$20/ton for Soybean Meal futures; 2 cents/pound for Soybean Oil futures; 20 cents/bushel for Oat futures; and \$0.50/cwt for Rough Rice futures. **Thus, the price limits implemented each May and November will be the higher of the seven percent calculated values and these specified minimum limits.**

Newly determined futures price limits will become effective on the first trading day in May and will remain in effect until the last trading day in October. At the end of the six-month period, the price limits will be reset to new levels and will remain in effect from the first trading day in November until the last trading day next April.

This mechanism continues to allow for expanding daily price limits. If a settlement occurs at the established initial price limit, the limit will be expanded by 50 percent the next trading day (rounded up to the nearest 5 cents/bushel for Corn, Mini-sized Corn, Soybeans, Mini-sized Soybean, Chicago SRW Wheat, Mini-sized Chicago SRW Wheat, KC HRW Wheat, and Oat futures; \$5/ton for Soybean Meal futures; 0.5 cents/pound for Soybean Oil futures; and \$0.05/cwt for Rough Rice futures), and remain at the expanded limit until no listed contracts settle at the expanded limit. For example, if the Corn futures price limit is set at 25 cents/bushel and at least two Corn futures expiration months or the last contract month in a crop year settle at the 25 cents/bushel limit, the Corn futures price limit would expand to 40 cents/bushel on the next trading

day and remain at that level until no Corn futures contract expirations settle at the expanded 40 cents limit, at which time the limit will return to the initial 25 cents/bushel price limit.

One special case is the soybean crush complex. If one of the three components of the soybean crush (Soybean, Soybean Meal, and Soybean Oil futures) triggers a limit, the Exchange would expand the limits by 50 percent (rounded up to the nearest 5 cents/bushel for Soybean and Mini-Sized Soybean futures; \$5/ton for Soybean Meal futures; 0.5 cents/pound for Soybean Oil futures) for the entire soybean crush complex to ensure the normal trading of the Soybean crush.

Currently, grain and oilseeds options have the same price limits as their underlying futures. The Exchange will remove price limits for all grain and oilseeds options starting on trade date May 1, 2014. This change will apply to all grain and oilseeds options, including standard, serial, weekly, short-dated new crop, calendar spread, and inter-commodity spread options.

Appendix A shows the relevant amendments to the CBOT rulebook languages

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Appendix A: Rulebook Amendments

(The proposed rule changes are attached with additions underlined and deletions ~~overstruck~~)

Chapter 10 Corn Futures

10102. TRADING SPECIFICATIONS

10102.D. Daily Price Limits

~~There shall be no trading in corn futures at a price more than \$0.40 per bushel (\$2,000 per contract) above or below the previous day's settlement price. Should two or more corn futures contract months within the first five listed non-spot contracts (or the remaining contract month in a crop year) close at limit bid or limit offer, the daily price limits for all contract months shall increase to \$0.60 per bushel the next business day. If price limits are \$0.60 per bushel and no corn futures contract month closes limit bid or limit offer, daily price limits for all contract months shall revert back to \$0.40 per bushel the next business day. There shall be no price limits on the current month contract on or after the second business day preceding the first day of the delivery month.~~

Daily price limits for Corn futures are reset every six months. The first reset date would be the first trading day in May based on the following: Daily settlement prices are collected for the nearest July contract over 45 consecutive trading days before and on the business day prior to April 16th. The average price is calculated based on the collected settlement prices and then multiplied by seven percent. The resulting number, rounded to the nearest 5 cents per bushel, or 20 cents per bushel, whichever is higher, will be the new initial price limit for Corn futures and will become effective on the first trading day in May and will remain in effect through the last trading day in October.

The second reset date would be the first trading day in November based on the following: Daily settlement prices are collected for the nearest December contract over 45 consecutive trading days before and on the business day prior to October 16th. The average price is calculated based on the collected settlement prices and then multiplied by seven percent. The resulting number, rounded to the nearest 5 cents per bushel, or 20 cents per bushel, whichever is higher, will be the new initial price limit for Corn futures and will become effective on the first trading day in November and will remain in effect through the last trading day in next April.

There shall be no trading in Corn futures at a price more than the initial price limit above or below the previous day's settlement price. Should two or more corn futures contract months within the first five listed non-spot contracts (or the remaining contract month in a crop year, which is the September contract) settle at limit, the daily price limits for all contract months shall increase by 50 percent the next business day, rounded up to the nearest 5 cents per bushel. If no Corn futures contract month settles at the expanded limit the next business day, daily price limits for all contract months shall revert back to the initial price limit the following business day. There shall be no price limits on the current month contract on or after the second business day preceding the first day of the delivery month.

Chapter 10A Options on Corn Futures

10A05. OPTION PREMIUM LIMITS

~~Trading is prohibited during any day except for the last day of trading in a Corn futures option at a premium of more than the trading limit for the Corn futures contract above and below the previous day's settlement premium for that option.~~

There are no option premium limits during any day for options on Corn futures.

**Chapter 10B
Mini-Sized Corn Futures**

10B02. TRADING SPECIFICATIONS

10B02.D. Daily Price Limits

~~There shall be no trading in mini-sized corn futures at a price more than \$0.40 per bushel (\$400 per contract) above or below the previous day's settlement price. Should two or more corn futures contract months within the first five listed non-spot contracts (or the remaining contract month in a crop year) close at limit bid or limit offer, the daily price limits for all contract months shall increase to \$0.60 per bushel the next business day. If price limits are \$0.60 per bushel and no corn futures contract month closes limit bid or limit offer, daily price limits for all contract months shall revert back to \$0.40 per bushel the next business day. There shall be no price limits on the current month contract on or after the second business day preceding the first day of the delivery month.~~

Daily price limits for mini-sized Corn futures are the same as those for standard-sized Corn futures on the same day.

**Chapter 10J
Corn Calendar Spread Options**

10J05. OPTION PREMIUM FLUCTUATION LIMITS

~~Trading is prohibited during any day except for the last day of trading in a Corn Calendar Spread option at a premium of more than the sum of the trading limits for the underlying Corn futures contracts above and below the previous day's settlement premium for that option as determined by the Clearing House.~~

There are no option premium limits during any day for Corn Calendar Spread options.

**Chapter 10N
Wheat-Corn Intercommodity Spread Options**

10N05. OPTION PREMIUM FLUCTUATION LIMITS

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

There are no option premium limits during any day for Wheat-Corn Intercommodity Spread options.

**Chapter 11
Soybean Futures**

11102. TRADING SPECIFICATIONS

11102.D. Daily Price Limits

~~There shall be no trading in soybean futures at a price more than \$0.70 per bushel (\$3,500 per contract) above or below the previous day's settlement price. Should two or more soybean futures contract months within the first seven listed non-spot contracts (or the remaining contract month in a crop year) close at limit bid or limit offer, the daily price limits for all contract months shall increase to \$1.05 per bushel the next business day. Should two or more soybean futures contract months within the first seven listed non-spot contracts (or the remaining contract month in a crop year) close at limit bid or limit offer while price limits are \$1.05 per bushel, daily price limits for all contract months shall increase to \$1.60 per bushel the next business day. If price limits are \$1.60 per bushel and no soybean futures contract month closes limit bid or limit offer, daily price limits for all contract months shall revert back to \$1.05 per bushel the next business day. If price limits are \$1.05 per bushel and no soybean futures contract month closes limit bid or limit offer, daily price limits for all contract months shall revert back to \$0.70 per bushel the next business day. There shall be no price limits on the current month contract on or after the second business day preceding the first day of the delivery month.~~

Daily price limits for Soybean futures are reset every six months. The first reset date would be the first trading day in May based on the following: Daily settlement prices are collected for the nearest July contract over 45 consecutive trading days before and on the business day prior to April 16th. The average price is calculated based on the collected settlement prices and then multiplied by seven percent. The resulting number, rounded to the nearest 5 cents per bushel, or 50 cents per bushel, whichever is higher, will be the new initial price limits for Soybean futures and will become effective on the first trading day in May and will remain in effect through the last trading day in October.

The second reset date would be the first trading day in November based on the following: Daily settlement prices are collected for the nearest November contract over 45 consecutive trading days before and on the business day prior to October 16th. The average price is calculated based on the collected settlement prices and then multiplied by seven percent. The resulting number, rounded to the nearest 5 cents per bushel, or 50 cents per bushel, whichever is higher, will be the new initial price limits for Soybean futures and will become effective on the first trading day in November and will remain in effect through the last trading day in next April.

There shall be no trading in Soybean futures at a price more than the initial price limit above or below the previous day's settlement price. Should two or more Soybean futures contract months within the first seven listed non-spot contracts (or the remaining contract month in a crop year, which is the September contract) settle at limit, the daily price limits for all contract months shall increase by 50 percent the next business day, rounded up to the nearest 5 cents per bushel. If no Soybean futures contract month settles at the expanded limit the next business day, daily price limits for all contract months shall revert back to the initial price limit the following business day. There shall be no price limits on the current month contract on or after the second business day preceding the first day of the delivery month.

Should any futures component of the Soybean Complex (Soybean, Soybean Meal, and Soybean Oil) trigger a 50 percent expansion of the price limit, the daily price limits for other futures components shall also increase by 50 percent on the same day (rounded up to the nearest 5 cents per bushel for Soybean futures; 5 dollars per ton for Soybean Meal futures; and 0.5 cents per pound for Soybean Oil futures). If no futures component contract month settles at the expanded limits, daily price limits for all futures components of the Soybean Complex shall revert back to their respective initial price limits the following business day.

Chapter 11A Options on Soybean Futures

11A05. OPTIONS PREMIUM LIMITS

~~Trading is prohibited during any day except for the last day of trading in a Soybean futures option at a premium of more than the trading limit for the Soybean futures contract above and below the previous day's settlement premium for that option.~~

There are no option premium limits during any day for options on Soybean futures.

Chapter 11B Mini-Sized Soybean Futures

11B02. TRADING SPECIFICATIONS

11B02.D. Daily Price Limits

~~There shall be no trading in mini-sized soybean futures at a price more than \$0.70 per bushel (\$700 per contract) above or below the previous day's settlement price. Should two or more soybean futures contract months within the first seven listed non-spot contracts (or the remaining contract month in a crop year) close at limit bid or limit offer, the daily price limits for all contract months shall increase to \$1.05 per bushel the next business day. Should two or more soybean futures contract months within the first seven listed non-spot contracts (or the remaining contract month in a crop year) close at limit bid or limit offer while price limits are \$1.05 per bushel, daily price limits for all contract months shall increase to \$1.60 per bushel the next business day. If price limits are \$1.60 per bushel and no soybean futures contract month closes limit bid or limit offer, daily price limits for all contract months shall revert back to \$1.05 per bushel the next business~~

~~day. If price limits are \$1.05 per bushel and no soybean futures contract month closes limit bid or limit offer, daily price limits for all contract months shall revert back to \$0.70 per bushel the next business day. There shall be no price limits on the current month contract on or after the second business day preceding the first day of the delivery month.~~

Daily price limits for mini-sized Soybean futures are the same as those for standard-sized Soybean futures on the same day.

Chapter 11C
Soybean Board Crush Spread Options

11C05. OPTION PREMIUM FLUCTUATION LIMITS

~~Trading is prohibited during any day except for the last day of trading in a Soybean Board Crush Spread option at a premium of more than the trading limit for the Soybean futures contract above and below the previous day's settlement premium for that option as determined by the Clearing House.~~

There are no option premium limits during any day for Soybean Board Crush Spread options.

Chapter 11E
Soybean Calendar Spread Options

11E05. OPTION PREMIUM FLUCTUATION LIMITS

~~Trading is prohibited during any day except for the last day of trading in a Soybean Calendar Spread option at a premium of more than the sum of the trading limits for the underlying Soybean futures contracts above and below the previous day's settlement premium for that option as determined by the Clearing House.~~

There are no option premium limits during any day for Soybean Calendar Spread options.

Chapter 12
Soybean Oil Futures

12102. TRADING SPECIFICATIONS

12102.D. Daily Price Limits

~~There shall be no trading in soybean oil futures at a price more than \$.025 per unit of trading (\$1,500 per contract) above or below the previous day's settlement price. Should two or more soybean oil futures contract months within the first eight listed non-spot contracts (or the remaining contract month in a crop year) close at limit bid or limit offer, the daily price limits for all contract months shall increase to \$.035 per unit of trading the next business day. Should two or more soybean oil futures contract months within the first eight listed non-spot contracts (or the remaining contract month in a crop year) close at limit bid or limit offer while price limits are \$.035 per unit of trading, daily price limits for all contract months shall increase to \$.055 per unit of trading the next business day. If price limits are \$.055 per unit of trading and no soybean oil futures contract month closes limit bid or limit offer, daily price limits for all contract months shall revert back to \$.035 per unit of trading the next business day. If price limits are \$.035 per unit of trading and no soybean oil futures contract month closes limit bid or limit offer, daily price limits for all contract months shall revert back to \$.025 per unit of trading the next business day. There shall be no price limits on the current month contract on or after the second business day preceding the first day of the delivery month.~~

Daily price limits for Soybean Oil futures are reset every six months. The first reset date would be the first trading day in May based on the following: Daily settlement prices are collected for the nearest July contract over 45 consecutive trading days before and on the business day prior to April 16th. The average price is calculated based on the collected settlement prices and then multiplied by seven percent. The resulting number, rounded to the nearest 0.5 cents per pound, or 2 cents per pound, whichever is higher, will be the new initial price limits for Soybean Oil futures and will become effective on the first trading day in May and will remain in effect through the last trading day in October.

The second reset date would be the first trading day in November based on the following: Daily settlement prices are collected for the nearest December contract over 45 consecutive trading days before and on the business day prior to October 16th. The average price is calculated based on the collected settlement prices and then multiplied by seven percent. The resulting number, rounded to the nearest 0.5 cents per pound, or 2 cents per pound, whichever is higher, will be the new initial price limits for Soybean Oil futures and will become effective on the first trading day in November and will remain in effect through the last trading day in next April.

There shall be no trading in Soybean Oil futures at a price more than the initial price limit above or below the previous day's settlement price. Should two or more Soybean Oil futures contract months within the first eight listed non-spot contracts (or the remaining contract month in a crop year, which is the October contract) settle at limit, the daily price limits for all contract months shall increase by 50 percent the next business day, rounded up to the nearest 0.5 cents per pound. If no Soybean Oil futures contract month settles at the expanded limit the next business day, daily price limits for all contract months shall revert back to the initial price limit the following business day. There shall be no price limits on the current month contract on or after the second business day preceding the first day of the delivery month.

Should any futures component of the Soybean Complex (Soybean, Soybean Meal, and Soybean Oil) trigger a 50 percent expansion of the price limit, the daily price limits for other futures components shall also increase by 50 percent on the same day (rounded up to the nearest 5 cents per bushel for Soybean futures; 5 dollars per ton for Soybean Meal futures; and 0.5 cents per pound for Soybean Oil futures). If no futures component contract month settles at the expanded limits, daily price limits for all futures components of the Soybean Complex shall revert back to their respective initial price limits the following business day.

Chapter 12A Options on Soybean Oil Futures

12A05. OPTION PREMIUM LIMITS

~~Trading is prohibited during any day except for the last day of trading in a Soybean Oil futures option at a premium of more than the trading limit for the Soybean Oil futures contract above and below the previous day's settlement premium for that option.~~

There are no option premium limits during any day for options on Soybean Oil futures.

Chapter 12B Soybean Oil Calendar Spread Options

12B05. OPTION PREMIUM FLUCTUATION LIMITS

~~Trading is prohibited during any day except for the last day of trading in a Soybean Oil Calendar Spread option at a premium of more than the sum of the trading limits for the underlying Soybean Oil futures contracts above and below the previous day's settlement premium for that option as determined by the Clearing House.~~

There are no option premium limits during any day for Soybean Oil Calendar Spread options.

Chapter 13 Soybean Meal Futures

13102. TRADING SPECIFICATIONS

13102.D. Daily Price Limits

~~There shall be no trading in Soybean Meal futures at a price more than \$20 per unit of trading (\$2,000 per contract) above or below the previous day's settlement price. Should two or more soybean meal futures contract months within the first eight listed non-spot contracts (or the remaining contract month in a crop year) close at limit bid or limit offer, the daily price limits for all contract months shall increase to \$30 per unit of trading the next business day. Should two or more soybean meal futures contract months within the first eight listed non-spot contracts (or the remaining contract month in a crop year) close at limit bid or limit offer~~

~~while price limits are \$30 per unit of trading, daily price limits for all contract months shall increase to \$45 per unit of trading the next business day. If price limits are \$45 per unit of trading and no soybean meal futures contract month closes limit bid or limit offer, daily price limits for all contract months shall revert back to \$30 per unit of trading the next business day. If price limits are \$30 per unit of trading and no soybean meal futures contract month closes limit bid or limit offer, daily price limits for all contract months shall revert back to \$20 per unit of trading the next business day. There shall be no price limits on the current month contract on or after the second business day preceding the first day of the delivery month.~~

Daily price limits for Soybean Meal futures are reset every six months. The first reset date would be the first trading day in May based on the following: Daily settlement prices are collected for the nearest July contract over 45 consecutive trading days before and on the business day prior to April 16th. The average price is calculated based on the collected settlement prices and then multiplied by seven percent. The resulting number, rounded to the nearest 5 dollars per ton, or 20 dollars per ton, whichever is higher, will be the new initial price limits for Soybean Meal futures and will become effective on the first trading day in May and will remain in effect through the last trading day in October.

The second reset date would be the first trading day in November based on the following: Daily settlement prices are collected for the nearest December contract over 45 consecutive trading days before and on the business day prior to October 16th. The average price is calculated based on the collected settlement prices and then multiplied by seven percent. The resulting number, rounded to the nearest 5 dollars per ton, or 20 dollars per ton, whichever is higher, will be the new initial price limits for Soybean Meal futures and will become effective on the first trading day in November and will remain in effect through the last trading day in next April.

There shall be no trading in Soybean Meal futures at a price more than the initial price limit above or below the previous day's settlement price. Should two or more Soybean Meal futures contract months within the first eight listed non-spot contracts (or the remaining contract month in a crop year, which is the October contract) settle at limit, the daily price limits for all contract months shall increase by 50 percent the next business day, rounded up to the nearest 5 dollars per ton. If no Soybean Meal futures contract month settles at the expanded limit the next business day, daily price limits for all contract months shall revert back to the initial price limit the following business day. There shall be no price limits on the current month contract on or after the second business day preceding the first day of the delivery month.

Should any futures component of the Soybean Complex (Soybean, Soybean Meal, and Soybean Oil) trigger a 50 percent expansion of the price limit, the daily price limits for other futures components shall also increase by 50 percent on the same day (rounded up to the nearest 5 cents per bushel for Soybean futures; 5 dollars per ton for Soybean Meal futures; and 0.5 cents per pound for Soybean Oil futures). If no futures component contract month settles at the expanded limits, daily price limits for all futures components of the Soybean Complex shall revert back to their respective initial price limits the following business day.

Chapter 13A Options on Soybean Meal Futures

13A05. OPTIONS PREMIUM LIMITS

~~Trading is prohibited during any day except for the last day of trading in a Soybean Meal futures option at a premium of more than the trading limit for the Soybean Meal futures contract above and below the previous day's settlement premium for that option.~~

There are no option premium limits during any day for options on Soybean Meal futures.

Chapter 13B
Soybean Meal Calendar Spread Options

13B05. OPTIONS PREMIUM FLUCTUATION LIMITS

~~Trading is prohibited during any day except for the last day of trading in a Soybean Meal Calendar Spread option at a premium of more than the sum of the trading limits for the underlying Soybean Meal futures contracts above and below the previous day's settlement premium for that option as determined by the Clearing House.~~

There are no option premium limits during any day for Soybean Meal Calendar Spread options.

Chapter 14
Wheat Futures

14102. TRADING SPECIFICATIONS**14102.D. Daily Price Limits**

~~There shall be no trading in wheat futures at a price more than \$0.60 per bushel (\$3,000 per contract) above or below the previous day's settlement price. Should two or more wheat futures contract months within the first five listed non-spot contracts (or the remaining contract month in a crop year) close at limit bid or limit offer, the daily price limits for all contract months shall increase to \$0.90 per bushel the next business day. Should two or more wheat futures contract months within the first five listed non-spot contracts (or the remaining contract month in a crop year) close at limit bid or limit offer while price limits are \$0.90 per bushel, daily price limits for all contract months shall increase to \$1.35 per bushel the next business day. If price limits are \$1.35 per bushel and no wheat futures contract month closes limit bid or limit offer, daily price limits for all contract months shall revert back to \$0.90 per bushel the next business day. If price limits are \$0.90 per bushel and no wheat futures contract month closes limit bid or limit offer, daily price limits for all contract months shall revert back to \$0.60 per bushel the next business day. There shall be no price limits on the current month contract on or after the second business day preceding the first day of the delivery month.~~

Daily price limits for Wheat futures are reset every six months. The first reset date would be the first trading day in May based on the following: Daily settlement prices are collected for the nearest July contract over 45 consecutive trading days before and on the business day prior to April 16th. The average price is calculated based on the collected settlement prices and then multiplied by seven percent. The resulting number, rounded to the nearest 5 cents per bushel, or 30 cents per bushel, whichever is higher, will be the new initial price limits for Wheat futures and will become effective on the first trading day in May and will remain in effect through the last trading day in October.

The second reset date would be the first trading day in November based on the following: Daily settlement prices are collected for the nearest December contract over 45 consecutive trading days before and on the business day prior to October 16th. The average price is calculated based on the collected settlement prices and then multiplied by seven percent. The resulting number, rounded to the nearest 5 cents per bushel, or 30 cents per bushel, whichever is higher, will be the new initial price limits for Wheat futures and will become effective on the first trading day in November and will remain in effect through the last trading day in next April.

There shall be no trading in Wheat futures at a price more than the initial price limit above or below the previous day's settlement price. Should two or more Wheat futures contract months within the first five listed non-spot contracts (or the remaining contract month in a crop year, which is the May contract) settle at limit, the daily price limits for all contract months shall increase by 50 percent the next business day, rounded up to the nearest 5 cents per bushel. If no Wheat futures contract month settles at the expanded limit the next business day, daily price limits for all contract months shall revert back to the initial price limit the following business day. There shall be no price limits on the current month contract on or after the second business day preceding the first day of the delivery month.

Chapter 14A
Options on Wheat Futures

14A05. OPTION PREMIUM LIMITS

~~Trading is prohibited during any day except for the last day of trading in a Wheat futures option at a premium of more than the trading limit for the Wheat futures contract above and below the previous day's settlement premium for that option.~~

There are no option premium limits during any day for options on Wheat futures.

Chapter 14B
Mini-Sized Wheat Futures

14B02. TRADING SPECIFICATIONS

14B02.D. Daily Price Limits

~~There shall be no trading in mini-sized wheat futures at a price more than \$0.60 per bushel (\$600 per contract) above or below the previous day's settlement price. Should two or more wheat futures contract months within the first five listed non-spot contracts (or the remaining contract month in a crop year) close at limit bid or limit offer, the daily price limits for all contract months shall increase to \$0.90 per bushel the next business day. Should two or more wheat futures contract months within the first five listed non-spot contracts (or the remaining contract month in a crop year) close at limit bid or limit offer while price limits are \$0.90 per bushel, daily price limits for all contract months shall increase to \$1.35 per bushel the next business day. If price limits are \$1.35 per bushel and no wheat futures contract month closes limit bid or limit offer, daily price limits for all contract months shall revert back to \$0.90 per bushel the next business day. If price limits are \$0.90 per bushel and no wheat futures contract month closes limit bid or limit offer, daily price limits for all contract months shall revert back to \$0.60 per bushel the next business day. There shall be no price limits on the current month contract on or after the second business day preceding the first day of the delivery month.~~

Daily price limits for mini-sized Wheat futures are the same as those for standard-sized Wheat futures on the same day.

Chapter 14D
Wheat Calendar Spread Options

14D05. OPTION PREMIUM FLUCTUATION LIMITS

~~Trading is prohibited during any day except for the last day of trading in a Wheat Calendar Spread option at a premium of more than the sum of the trading limits for the underlying Wheat futures contracts above and below the previous day's settlement premium for that option as determined by the Clearing House.~~

There are no option premium limits during any day for Wheat Calendar Spread options.

Chapter 14E
MGEX-CBOT Wheat Intercommodity Spread Options (Terms and Conditions)

14E05. OPTION PREMIUM FLUCTUATION LIMITS

~~Trading is prohibited during any day except for the last day of trading in a MGEX-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 MGEX Wheat futures contract, above and below the previous day's settlement premium for that option as determined by the Clearing House.~~

There are no option premium limits during any day for MGEX-CBOT Wheat Intercommodity Spread options.

Chapter 14F
KCBT-CBOT Wheat Intercommodity Spread Options

14F105. 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.~~

There are no option premium limits during any day for KCBT-CBOT Wheat Intercommodity Spread options.

Chapter 14H
KC HRW Wheat Futures

14H02. TRADING SPECIFICATIONS

14H02.D. Daily Price Limits

~~The Exchange may at any time, upon ten (10) hours' notice, provide that there shall be no trading in any specified contract for delivery in any specified month at prices more than a fixed limit above or below the official closing price of the preceding business day. Any Member or KC HRW Incentive Program Participant who enters into any contracts under the rules of the Exchange in violation of such resolution shall be subject to disciplinary action pursuant to Chapter 4.~~

~~Note: There shall be no trading in wheat futures at a price more than \$0.60 per bushel (\$3,000 per contract) above or below the previous day's settlement price. Should two or more wheat futures contract months within the first five listed non-spot contracts (or the remaining contract month in a crop year) close at limit bid or limit offer, the daily price limits for all contract months shall increase to \$0.90 per bushel the next business day. Should two or more wheat futures contract months within the first five listed non-spot contracts (or the remaining contract month in a crop year) close at limit bid or limit offer while price limits are \$0.90 per bushel, daily price limits for all contract months shall increase to \$1.35 per bushel the next business day. If price limits are \$1.35 per bushel and no wheat futures contract month closes limit bid or limit offer, daily price limits for all contract months shall revert back to \$0.90 per bushel the next business day. If price limits are \$0.90 per bushel and no wheat futures contract month closes limit bid or limit offer, daily price limits for all contract months shall revert back to \$0.60 per bushel the next business day. There shall be no price limits on the current month contract on or after the second business day preceding the first day of the delivery month.~~

Daily price limits for KC HRW Wheat futures are reset every six months. The first reset date would be the first trading day in May based on the following: Daily settlement prices are collected for the nearest July contract over 45 consecutive trading days before and on the business day prior to April 16th. The average price is calculated based on the collected settlement prices and then multiplied by seven percent. The resulting number, rounded to the nearest 5 cents per bushel, or 30 cents per bushel, whichever is higher, will be the new initial price limits for KC HRW Wheat futures and will become effective on the first trading day in May and will remain in effect through the last trading day in October.

The second reset date would be the first trading day in November based on the following: Daily settlement prices are collected for the nearest December contract over 45 consecutive trading days before and on the business day prior to October 16th. The average price is calculated based on the collected settlement prices and then multiplied by seven percent. The resulting number, rounded to the nearest 5 cents per bushel, or 30 cents per bushel, whichever is higher, will be the new initial price limits for KC HRW Wheat futures and will become effective on the first trading day in November and will remain in effect through the last trading day in next April.

There shall be no trading in KC HRW Wheat futures at a price more than the initial price limit above or below the previous day's settlement price. Should two or more KC HRW Wheat futures contract months within the first five listed non-spot contracts (or the remaining contract month in a crop year, which is the May contract) settle at limit, the daily price limits for all contract months shall increase by 50 percent the next business day, rounded up to the nearest 5 cents per bushel. If no KC HRW Wheat futures contract month settles at the expanded limit the next business day, daily price limits for all contract months shall revert back to the initial

price limit the following business day. There shall be no price limits on the current month contract on or after the second business day preceding the first day of the delivery month.

Chapter 14K

MGEX-KC HRW Wheat Intercommodity Spread Options

14K05. OPTION PREMIUM FLUCTUATION LIMITS

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

There are no option premium limits during any day for MGEX-KC HRW Wheat Intercommodity Spread options.

Chapter 14L

Options on Contracts of Sale on KC Hard Red Winter Wheat Futures Contracts

14L05. OPTION PREMIUM LIMITS

~~Trading is prohibited during any day except for the last day of trading in a KC HRW Wheat futures option at a premium of more than the trading limit for the KC HRW Wheat futures contract above and below the previous day's settlement premium for that option.~~

There are no option premium limits during any day for options on KC HRW Wheat futures.

Chapter 14M

KC HRW Wheat Calendar Spread Options

14M05. OPTION PREMIUM FLUCTUATION LIMITS

~~Trading is prohibited during any day except for the last day of trading in a KC HRW Wheat Calendar Spread option at a premium of more than the sum of the trading limits for the underlying KC HRW Wheat futures contracts above and below the previous day's settlement premium for that option as determined by the Clearing House.~~

There are no option premium limits during any day for KC HRW Wheat Calendar Spread options.

Chapter 15

Oat Futures

15102. TRADING SPECIFICATIONS

15102.D. Daily Price Limits

~~There shall be no trading in Oat futures at a price more than \$.20 per bushel (\$1,000 per contract) above or below the previous day's settlement price. Should two or more oat futures contract months within the first five listed non-spot contracts (or the remaining contract month in a crop year) close at limit bid or limit offer, the daily price limits for all contract months shall increase to \$0.30 per bushel the next business day. Should two or more oat futures contract months within the first five listed non-spot contracts (or the remaining contract month in a crop year) close at limit bid or limit offer while price limits are \$0.30 per bushel, daily price limits for all contract months shall increase to \$0.45 per bushel the next business day. If price limits are \$0.45 per bushel and no oat futures contract month closes limit bid or limit offer, daily price limits for all contract months shall revert back to \$0.30 per bushel the next business day. If price limits are \$0.30 per bushel and no oat futures contract month closes limit bid or limit offer, daily price limits for all contract months shall revert back to \$0.20 per bushel the next business day. There shall be no price limits on the current month contract on or after the second business day preceding the first day of the delivery month.~~

Daily price limits for Oat futures are reset every six months. The first reset date would be the first trading day in May based on the following: Daily settlement prices are collected for the nearest July contract over 45

consecutive trading days before and on the business day prior to April 16th. The average price is calculated based on the collected settlement prices and then multiplied by seven percent. The resulting number, rounded to the nearest 5 cents per bushel, or 20 cents per bushel, whichever is higher, will be the new initial price limits for Oat futures and will become effective on the first trading day in May and will remain in effect through the last trading day in October.

The second reset date would be the first trading day in November based on the following: Daily settlement prices are collected for the nearest December contract over 45 consecutive trading days before and on the business day prior to October 16th. The average price is calculated based on the collected settlement prices and then multiplied by seven percent. The resulting number, rounded to the nearest 5 cents per bushel, or 20 cents per bushel, whichever is higher, will be the new initial price limits for Oat futures and will become effective on the first trading day in November and will remain in effect through the last trading day in next April.

There shall be no trading in Oat futures at a price more than the initial price limit above or below the previous day's settlement price. Should two or more Oat futures contract months within the first five listed non-spot contracts (or the remaining contract month in a crop year, which is the September contract) settle at limit, the daily price limits for all contract months shall increase by 50 percent the next business day, rounded up to the nearest 5 cents per bushel. If no Oat futures contract month settles at the expanded limit the next business day, daily price limits for all contract months shall revert back to the initial price limit the following business day. There shall be no price limits on the current month contract on or after the second business day preceding the first day of the delivery month.

Chapter 15A Options on Oat Futures

15A05. OPTION PREMIUM LIMITS

~~Trading is prohibited during any day except for the last day of trading in an Oats futures option at a premium of more than the trading limit for the Oat futures contract above and below the previous day's settlement premium for that option.~~

There are no option premium limits during any day for options on Oat futures.

Chapter 17 Rough Rice Futures

17102. TRADING SPECIFICATIONS

17102.D. Daily Price Limits

~~There shall be no trading in rough rice futures at a price more than \$.50 per hundredweight (\$1,000 per contract) above or below the previous day's settlement price. Should two or more rough rice futures contract months within the first six listed non-spot contracts (or the remaining contract month in a crop year) close at limit bid or limit offer, the daily price limits for all contract months shall increase to \$0.75 per hundredweight the next business day. Should two or more rough rice futures contract months within the first six listed non-spot contracts (or the remaining contract month in a crop year) close at limit bid or limit offer while price limits are \$0.75 per hundredweight, daily price limits for all contract months shall increase to \$1.15 per hundredweight the next business day. If price limits are \$1.15 per hundredweight and no rough rice futures contract month closes limit bid or limit offer, daily price limits for all contract months shall revert back to \$0.75 per hundredweight the next business day. If price limits are \$0.75 per hundredweight and no rough rice futures contract month closes limit bid or limit offer, daily price limits for all contract months shall revert back to \$0.50 per hundredweight the next business day. There shall be no price limits on the current month contract on or after the second business day preceding the first day of the delivery month.~~

Daily price limits for Rough Rice futures are reset every six months. The first reset date would be the first trading day in May based on the following: Daily settlement prices are collected for the nearest July contract over 45 consecutive trading days before and on the business day prior to April 16th. The average price is calculated based on the collected settlement prices and then multiplied by seven percent. The resulting

number, rounded to the nearest 5 cents per hundredweight, or 50 cents per hundredweight, whichever is higher, will be the new initial price limits for Rough Rice futures and will become effective on the first trading day in May and will remain in effect through the last trading day in October.

The second reset date would be the first trading day in November based on the following: Daily settlement prices are collected for the nearest November contract over 45 consecutive trading days before and on the business day prior to October 16th. The average price is calculated based on the collected settlement prices and then multiplied by seven percent. The resulting number, rounded to the nearest 5 cents per hundredweight, or 50 cents per hundredweight, whichever is higher, will be the new initial price limits for Rough Rice futures and will become effective on the first trading day in November and will remain in effect through the last trading day in next April.

There shall be no trading in Rough Rice futures at a price more than the initial price limit above or below the previous day's settlement price. Should two or more Oat futures contract months within the first six listed non-spot contracts (or the remaining contract month in a crop year, which is the September contract) settle at limit, the daily price limits for all contract months shall increase by 50 percent the next business day, rounded up to the nearest 5 cents per hundredweight. If no Rough Rice futures contract month settles at the expanded limit the next business day, daily price limits for all contract months shall revert back to the initial price limit the following business day. There shall be no price limits on the current month contract on or after the second business day preceding the first day of the delivery month.

Chapter 17A
Options on Rough Rice Futures

17A05. OPTION PREMIUM LIMITS

~~Trading is prohibited during any day except for the last day of trading in a Rough Rice futures option at a premium of more than the trading limit for the Rough Rice futures contract above and below the previous day's settlement premium for that option.~~

There are no option premium limits during any day for options on Rough Rice futures.