



Special Executive Report

S-7294

February 5, 2015

Listing of Short-Dated New Crop Options on Soybean Meal and Soybean Oil Futures Contracts

Effective on Sunday, February 22, 2015 for trade date Monday, February 23, 2015, and pending all CFTC regulatory review periods, the Board of Trade of the City of Chicago, Inc. (CBOT or Exchange) will list Short-Dated New Crop Options on Soybean Meal Futures and Short-Dated New Crop Options on Soybean Oil Futures contracts (the Contracts) for trading on the CBOT trading floor and CME Globex.

The Contracts will exercise into the respective underlying December futures contracts instead of nearby futures. They also expire earlier than standard December options. The lower time value will provide market participants a cost effective tool to hedge new crop positions. In addition, the Contracts will give market participants increased hedging flexibility and additional trading opportunities such as the ability to trade high impact events that affect new crop markets in specific time frames; hedging positions in old crop/new crop Calendar Spread Options; and managing Greek sensitivity of an options book.

The first listed contract months for the Contracts will be: May 2015, July 2015, September 2015, and October 2015. All of these options contract months will exercise into the respective underlying December 2015 futures contract. A new crop year listing cycle referencing the December 2016 futures contract, which will also include January and March contract months, will be listed on the first business day following the expiration of October 2015 options contracts.

The contract specifications, fee schedule, and rulebook amendments for the Contracts are provided below.

If you require any additional information, please contact Randy Shao at 312-648-3795 or via e-mail at Renyuan.Shao@cmegroup.com; Fred Seamon at 312-634-1587 or via e-mail at Fred.Seamon@cmegroup.com; or Dave Lehman at 312-930-1875 or via e-mail at David.Lehman@cmegroup.com.

Contract Specifications

Short-Dated New Crop Options on Soybean Oil Futures					
Contract Size	One new crop Soybean Oil futures contract (December) of 60,000 pounds				
Tick Size (minimum fluctuation)	5/1000 of a cent (\$0.00005) per pound (\$3.00 per contract)				
Strike Price Intervals	1/2 cent per pound. More details on strike price intervals are outlined in Rule 12A01.E.				
Contract Months/Symbols	On the first trading day following the expiration of October standard option, the following 6 contract months will be listed for next year: January (F), March (H), May (K), July (N), September (U), and October (V). Each of these options will exercise into the December futures contract that is nearest to the expiration of the option. A new listing cycle will begin on the first trading day following the expiration of the next October standard option.				
Daily Price Limit	There is no daily price limit any day.				
Last Trade Date	Same as the last trade date of standard and serial options of the same contract month.				
Exercise	American-style. The buyer of a futures option may exercise the option on any business day prior to expiration by giving notice to the Clearing House by 6:00 p.m. Chicago time. Option exercise results in an underlying futures market position. Options in-the-money on the last day of trading are automatically exercised.				
Expiration	Unexercised options shall expire at 7:00 p.m. on the last day of trading.				
Trading Hours	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; background-color: #f2f2f2;">CME Globex (Electronic Platform)</td> <td>Sunday – Friday, 7:00 p.m. – 7:45 a.m. CT and Monday – Friday, 8:30 a.m. – 1:15 p.m. CT</td> </tr> <tr> <td style="background-color: #f2f2f2;">Open Outcry (Trading Floor)</td> <td>Monday – Friday, 8:30 a.m. – 1:15 p.m. CT</td> </tr> </table>	CME Globex (Electronic Platform)	Sunday – Friday, 7:00 p.m. – 7:45 a.m. CT and Monday – Friday, 8:30 a.m. – 1:15 p.m. CT	Open Outcry (Trading Floor)	Monday – Friday, 8:30 a.m. – 1:15 p.m. CT
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CME Globex (Electronic Platform)	OLD				
Open Outcry (Trading Floor)	LDF				
Rulebook Chapter	12A				
Exchange Rule	These contracts are listed with, and subject to, the rules and regulations of CBOT.				

Short-Dated New Crop Options on Soybean Meal Futures		
Contract Size	One new crop Soybean Meal futures contract (December) of 100 short tons	
Tick Size (minimum fluctuation)	5 cents per short ton (\$5 per contract)	
Strike Price Intervals	\$5 per short ton. More details on strike price intervals are outlined in Rule 13A01.E.	
Contract Months/Symbols	On the first trading day following the expiration of October standard option, the following 6 contract months will be listed for next year: January (F), March (H), May (K), July (N), September (U), and October (V). Each of these options will exercise into the December futures contract that is nearest to the expiration of the option. A new listing cycle will begin on the first trading day following the expiration of the next October standard option.	
Daily Price Limit	There is no daily price limit any day.	
Last Trade Date	Same as the last trade date of standard and serial options of the same contract month.	
Exercise	American-style. The buyer of a futures option may exercise the option on any business day prior to expiration by giving notice to the Clearing House by 6:00 p.m. Chicago time. Option exercise results in an underlying futures market position. Options in-the-money on the last day of trading are automatically exercised.	
Expiration	Unexercised options shall expire at 7:00 p.m. on the last day of trading.	
Trading Hours	CME Globex (Electronic Platform)	Sunday – Friday, 7:00 p.m. – 7:45 a.m. CT and Monday – Friday, 8:30 a.m. – 1:15 p.m. CT
	Open Outcry (Trading Floor)	Monday – Friday, 8:30 a.m. – 1:15 p.m. CT
Product Ticker Symbols	CME Globex (Electronic Platform)	OMD
	Open Outcry (Trading Floor)	ODF
Rulebook Chapter	13A	
Exchange Rule	These contracts are listed with, and subject to, the rules and regulations of CBOT.	

Fee Schedule

CBOT Member Firms and Individuals – Soybean Meal SDNC Options and Soybean Oil SDNC Options – Exchange Fees

Level	CBOT Account Owner ²	Execution Type	Platform	Exchange Fee
Individual Member				
1	Individual Members	Member Trading Own Account	Open Auction	\$0.09
			Electronic	\$0.14
	Individual Delegates	Delegate Trading Own Account	Open Auction	\$0.24
			Electronic	\$0.29
Equity Members (Individual Equity members, Clearing Firms and Equity Firms)				
2	Equity Members ¹	Member or Delegate	Open Auction	\$0.09
			Electronic	\$0.14
	Equity Members ¹	Non Member	Electronic	\$0.45
	(Exception) Rule 106.S. Family of Funds Equity Member Firms	Member, Delegate or Non Member	Open Auction	\$0.09
Electronic			\$0.45	

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

(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	\$0.20
		Electronic	\$0.75
	Individual Delegates (Other Member or Delegate executing the trade) & Rule 106.I. Affiliate Trading Member Firms	Open Auction	\$0.35
		Electronic	\$0.90
	Rule 106.S. Family of Funds Equity Member Firms	Open Auction	\$0.20
		Electronic	\$0.75
Electronic Corporate Member Firms			
4	Electronic Corporate Members	Electronic	\$0.90
Non Members			
5	International Incentive Program	Electronic	\$1.00

	Asian; Latin American Bank & Latin American Fund Manager Incentive Programs; Central Bank; Latin American Proprietary Trading	Electronic	\$1.39
	Non Members	Open Auction	\$0.65
		Electronic	\$1.89

Other CBOT Processing Fees	Rate
Ex-Pit Surcharges – EFP	\$0.85
Ex-Pit Surcharges – EFR	\$1.25
Fungibility & Directed Fungibility Surcharge (currently applies to Dow and Ag)	\$0.20
Exchange Fees for Non Trades	\$0.05/\$0.20/\$0.50
Brokerage Fees – with discretion	\$0.00/\$0.15
Brokerage Fees – without discretion	\$0.04/\$0.17
Clearing Fees ⁴	\$0.06
Position Adjustments /Position Transfers	\$0.10
Exercise/Assignment Surcharge	\$0.05
Future from Exercise and Assignment Surcharge	\$0.05

1 Clearing Fee - Contracts Cleared (including give-ups, OTC, EFPs, EFSs & EFRs, and Blocks)

Rulebook Chapter

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

CBOT Rulebook Chapter 12A Options on Soybean Oil Futures

12A01. OPTIONS CHARACTERISTICS

12A01.A. Contract Months

Trading may be conducted in the nearby Soybean Oil futures options contract month and any succeeding months, provided however, that the Exchange may determine not to list a contract month. For options that are traded in months in which Soybean Oil futures are not traded, the underlying futures contract is the next futures contract that is nearest to the expiration of the option. For example, the underlying futures contract for the February option contract is the March futures contract. For short-dated options on new crop futures, the underlying futures contract is the December futures contract that is nearest to the expiration of the option.

12A01.E. Exercise Prices

Trading shall be conducted for put and call options, including standard, serial, short-dated new crop, and weekly options, with striking prices (the "strikes") in integral multiples of one half cent per pound per Soybean Oil futures contract as follows:

1.

a. At the commencement of trading for each option contract, the Exchange shall list a strike closest to the previous day's settlement price of the underlying Soybean Oil futures contract (the at-the-money strike), and strikes in a range of 50 percent above and below the at-the-money strike. If the previous day's settlement price is midway between two strikes, the at-the-money strike shall be the larger of the two.

b. Over time, strikes shall be added as necessary to ensure that all strikes within 50 percent of the previous day's settlement price in the underlying futures contract are listed.

2. 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. As new one half cent strikes are added, existing strikes outside the newly determined strike ranges without open interest may be de-listed.

12A01.I. Termination of Trading

12A01.I.1. Standard and Serial Options

The last day of trading in any standard or serial option for expiry in a given month shall be the last Friday which precedes by at least two business days the last business day of the calendar month preceding such option's named expiry month. If such Friday is not a business day, then the last day of trading in such option shall be the business day prior to such Friday.

On their last day of trading, expiring standard or serial options shall cease trading at the close of the open outcry trading session for the corresponding Soybean Oil futures contract, subject to the provisions of Rule 12A01.D.

12A01.I.2. Weekly Options

Any weekly option shall be designated to expire on a given Friday, provided however that no weekly option shall be designated to expire on any Friday that is also the last day of trading in a standard or serial option (Rule 12A01.I.1.). Trading in any weekly option shall terminate on the Friday on which such option is designated to expire. If such Friday is not a business day, then trading in weekly options designated for expiration on such Friday shall terminate on the business day prior to such Friday.

On their last day of trading, expiring weekly options shall cease trading at the close of the open outcry trading session for the corresponding Soybean Oil futures contract, subject to the provisions of Rule 12A01.D.

12A01.I.3. Short-Dated Options on New Crop Futures

The last day of trading in any short-dated option on new crop futures for expiry in a given month shall be the last Friday which precedes by at least two business days the last business day of the calendar month preceding such option's named expiry month. If such Friday is not a business day, then the last day of trading in such option shall be the business day prior to such Friday.

On their last day of trading, short-dated options on new crop futures shall cease trading at the close of the open outcry trading session for the corresponding Soybean Oil futures contract, subject to the provisions of Rule 12A01.D.

12A01.I.34. Trading in Underlying Futures

In the event that the underlying futures market does not open on a day scheduled for option expiration, such option expiration shall occur on the next day on which the underlying futures market opens for trading.

CBOT Rulebook Chapter 13A Options on Soybean Meal Futures

13A01. OPTIONS CHARACTERISTICS

13A01.A. Contract Months

Trading may be conducted in the nearby Soybean Meal futures options contract month and any succeeding months, provided however, that the Exchange may determine not to list a contract month. For options that are traded in months in which Soybean Meal futures are not traded, the underlying futures contract is the next futures contract that is nearest to the expiration of the option. For example, the underlying futures contract for the February option contract is the March futures contract. For short-dated options on new crop futures, the underlying futures contract is the December futures contract that is nearest to the expiration of the option.

13A01.E. Exercise Prices

Trading shall be conducted for standard and serial put and call options with striking prices (the "strikes") in integral multiples of five (5) dollars per ton per Soybean Meal futures contract for all strikes less than two hundred dollars and in integral multiples of ten (10) dollars per ton per Soybean Meal futures contract for all strikes greater than or equal to two hundred dollars as follows:

1.

- a. At the commencement of trading for each option contract, the Exchange shall list a strike closest to the previous day's settlement price of the underlying Soybean Meal futures contract (the at-the-money strike), and strikes in a range of 50 percent above and below the at-the-money strike. If the previous day's settlement price is midway between two strikes, the at-the-money strike shall be the larger of the two.
- b. Over time, strikes shall be added as necessary to ensure that all strikes within 50 percent of the previous day's settlement price in the underlying futures are listed.

2.

- a. For standard and serial option months the business day they become the first listed month, at the commencement of trading for short-dated options on new crop futures, and at the commencement of trading for weekly options, the Exchange shall list a strike closest to the previous day's settlement price of the underlying Soybean Meal futures contract (the at-the-money strike), and strikes in integral multiples of five

dollars in a range of 50 percent above and below the at-the-money strike. If the previous day's settlement price is midway between two strikes, the at-the-money strike shall be the larger of the two.

b. Over time, new 5 dollar strike prices shall be added to ensure that all strikes within 50 percent of the previous day's settlement price in the underlying futures are listed.

3. 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. As new strikes are added, existing strikes outside the newly determined strike ranges without open interest may be de-listed.

13A01.I. Termination of Trading

13A01.I.1. Standard and Serial Options

The last day of trading in any standard or serial option for expiry in a given month shall be the last Friday which precedes by at least two business days the last business day of the calendar month preceding such option's named expiry month. If such Friday is not a business day, then the last day of trading in such option shall be the business day prior to such Friday.

On their last day of trading, expiring standard or serial options shall cease trading at the close of the open outcry trading session for the corresponding Soybean Meal futures contract, subject to the provisions of Rule 13A01.D.

13A01.I.2. Weekly Options

Any weekly option shall be designated to expire on a given Friday, provided however that no weekly option shall be designated to expire on any Friday that is also the last day of trading in a standard or serial option (Rule 13A01.I.1.). Trading in any weekly option shall terminate on the Friday on which such option is designated to expire. If such Friday is not a business day, then trading in weekly options designated for expiration on such Friday shall terminate on the business day prior to such Friday.

On their last day of trading, expiring weekly options shall cease trading at the close of the open outcry trading session for the corresponding Soybean Meal futures contract, subject to the provisions of Rule 13A01.D.

13A01.I.3. Short-Dated Options on New Crop Futures

The last day of trading in any short-dated option on new crop futures for expiry in a given month shall be the last Friday which precedes by at least two business days the last business day of the calendar month preceding such option's named expiry month. If such Friday is not a business day, then the last day of trading in such option shall be the business day prior to such Friday.

On their last day of trading, short-dated options on new crop futures shall cease trading at the close of the open outcry trading session for the corresponding Soybean Meal futures contract, subject to the provisions of Rule 13A01.D.

13A01.I.34. Trading in Underlying Futures

In the event that the underlying futures market does not open on a day scheduled for option expiration, such option expiration shall occur on the next day on which the underlying futures market opens for trading.