



Clearing Advisory Notice

DATE: October 23, 2020

TO: Clearing Member Firms

FROM: CME Clearing

ADVISORY #: 20-411

SUBJECT: **Amendments to CBOT Rule 900 (“Categories of Clearing Members”)**

Effective November 2, 2020 and pending all relevant Commodity Futures Trading Commission (“CFTC”) regulatory review periods, The Board of Trade of the City of Chicago, Inc. (“CBOT” or “Exchange”) will amend Rule 900. (“Categories of Clearing Members”) to remove sole proprietors as an eligible category of CBOT clearing member (collectively, the “Rule Amendments”).

CBOT permitted sole proprietorships as an eligible category of clearing member prior to its 2007 merger with Chicago Mercantile Exchange Inc. (“CME”), which did not accept sole proprietor clearing members. Upon the merger, sole proprietors were grandfathered as an eligible CBOT clearing member type. Since that time no new sole proprietors have been added as CBOT clearing members, and the last remaining sole proprietor CBOT clearing member recently withdrew its clearing membership. To better align CBOT categories of eligible clearing members with those of the other CME Group DCMs, and consistent with the evolution of clearing membership practices at CME and other central counterparties (“CCPs”), the Rule Amendments will remove sole proprietors from the list of eligible CBOT Clearing Member types in CBOT Rule 900.

Please see Special Executive Report 8665, published October 23, 2020, for full details, at:
<https://www.cmegroup.com/content/dam/cmegroup/notices/market-regulation/2020/10/SER-8665-Re-CBOT-Rule-900.pdf>

For more information please contact CME’s Financial and Regulatory Surveillance Department at 312-930-3230.