

DATE: **July 27, 2017**

SER#: **7963**

SUBJECT: **Administrative Amendments to the Live Cattle Futures Contract**

Effective on trade date Friday, July 28, 2017, Chicago Mercantile Exchange Inc. ("CME" or "Exchange") will implement administrative, non-substantive amendments to Rule 10104.G. ("Payments for Tender and Retender") of the Live Cattle futures contract (Rulebook chapter 101; Clearing Code: LC; CME Globex Code: LE; CME ClearPort Code: 48).

Specifically, the Exchange is inserting language to codify that when a buyer submits payment to the CME Clearing House for an assigned Certificate, the buyer will submit payment equal to the settlement price on the day of assignment, less accrued retender charges and any applicable delivery location premiums or discounts, times the par weight of 40,000 pounds. The rule amendments state that the dollar amount paid by the buyer for an assigned delivery shall reflect any applicable delivery location premium or discount when it is provided to the CME Clearing House.

CME Rule 10104.G. is provided below in blackline format.

## **CME Rulebook**

### **Chapter 101**

#### **Live Cattle Futures**

**(bold/underscored)** indicates addition

10104. **PROCEDURES FOR TENDER, DEMAND, RETENDER, RECLAIM, AND ASSIGNMENT OF CERTIFICATES OF DELIVERY**

10104.G. Payments for Tender and Retender

1. All payment shall be by wire transfer of funds or by certified or cashier's check presented to the Clearing House.
2. Payment for an assigned Certificate must be submitted to the Clearing House by 12:00 noon on the Business Day after a tendered or retendered Certificate is assigned. The assignee shall submit payment equal to the settlement price on the day of assignment, less accrued retender charges **and any applicable delivery location premiums/discounts**, times the par weight, 40,000 pounds.
3. Payment received for a newly-tendered Certificate shall be retained by the Clearing House until the Certificate is reclaimed or until cattle conforming with contract specifications are delivered.
4. The Clearing House shall remit payment received for a retendered Certificate to the retenderer by the close of business on the Business Day following the day of retender.

The Commodity Futures Trading Commission ("CFTC") will be notified of the amendments during the week of July 31, 2017, via the weekly notification procedures set forth in Part 40 of the CFTC Regulations.



Questions regarding this notice may be directed to:

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