



Special Executive Report

DATE: April 19, 2018

SER#: 8109R

SUBJECT: Amendments to the Delivery Mechanism of the Rough Rice Futures Contract

(This SER supersedes SER 8109 dated March 5, 2018 and is being issued to advise of an effective date of April 23, 2018. No other amendments are being made to the original SER.)

Effective Monday, April 23, 2018, The Board of Trade of the City of Chicago, Inc. ("CBOT" or "Exchange") will implement the transition of amending the delivery mechanism of the Rough Rice Futures contract (Rulebook Chapter 17; Globex Code: ZR; Commodity Code ZR) (the "Contract") from warehouse receipts to shipping certificates commencing with the May 2018 contract month and beyond.

To facilitate the transition to shipping certificates, Last Delivery Day of the Contract will move from the 7th business day following the last trading day to the 2nd business day following the last trading day (the penultimate business day) commencing with the May 2018 contract month and beyond.

On Monday, April 23, 2018, all outstanding warehouse receipts of the Contract will be cancelled. To transition to shipping certificates and maintain inventory with the Exchange, owners' agents must request new registration of product in CME Clearing's Deliveries Plus system ("Deliveries Plus"), which will allot new shipping certificate numbers.

The Exchange holds collateral for all outstanding shipping certificates. Upon transition, the issuers' clearing firms will have the option to post letters of credit, cash, or existing eGrain warehouse receipts as collateral. Those clearing firms opting to post warehouse receipts will transfer ownership of such receipts to CME Clearing via the eGrain system.

Approved facilities storing rough rice shall be exempt from the requirement that regular facilities maintain a net worth at or above \$5,000,000, but are held to the existing requirement that the net worth divided by approved capacity of a facility must exceed \$5,000. Additionally, when issuing shipping certificates, rough rice facilities will be exempt from the 50% net worth requirement.

The process of storage pays and collects will change with the transition to shipping certificates from a clearing firm to clearing firm process to one handled automatically within Deliveries Plus. The first Deliveries Plus premium charge collection will be on May 18, 2018, which will cover the period May 1, 2018 to May 17, 2018. A Deliveries Plus premium charge collection will occur on the 18th calendar day of each subsequent month, which will cover storage from the 18th calendar day of the previous month to the 17th calendar day of the current month.

Amendments CBOT Chapters 7 and 17 may be viewed in blackline format [here](#).

If you require any additional information, please contact Fred Seamon at 312-634-1587 or via e-mail at Fred.Seamon@cmegroup.com or Alison Coughlin at 312-338-7171 or via email at Alison.Coughlin@cmegroup.com.