Special Executive Report

Date: **April 9, 2021**

SER#: **8752**

Subject: **Amendments to the Options on Black Sea Wheat Financially Settled (Platts) Futures and Options on Black Sea Corn Financially Settled (Platts) Futures Contracts to Convert from European Style to American Style Expiration**

Effective Sunday, April 25, 2021 for trade date Monday, April 26, 2021, and pending all relevant CFTC regulatory review periods, The Board of Trade of the City of Chicago, Inc. ("CBOT" or "Exchange") will amend the Options on Black Sea Wheat Financially Settled (Platts) Futures and the Options on Black Sea Corn Financially Settled (Platts) Futures contracts (the "Contracts") to convert the Contracts from European style to American style expiration. There is no open interest in the Contracts.

Effective immediately and until Sunday, April 25, 2021 for trade date Monday, April 26, 2021, CBOT will suspend trading and clearing of the Contracts.

Contract Title	Rulebook Chapter	Commodity Code
Options on Black Sea Wheat Financially Settled (Platts) Futures	14T	BWO
Options on Black Sea Corn Financially Settled (Platts) Futures	10E	BSO

Specifically, the Exchange is amending the Rule 14T101.G. and 10E101.G. ("Nature of Options") and Rule 14T102. and 10E102. ("Cash Settlement") of the Options on Black Sea Wheat Financially Settled (Platts) Futures and Options on Black Sea Corn Financially Settled (Platts) Futures contracts respectively to reflect the amendments from European style to American style expiration.

Amendments to the CBOT rulebook chapters 14T and 10E are provided in Exhibit A below with additions **underscored** and deletions ~~struck through~~.

For additional information please contact:

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EXHIBIT A

CBOT Rulebook

Chapter 14T

(additions **underscored**: deletions ~~struck through~~)

Options on Black Sea Wheat Financially Settled (Platts) Futures

14T101. OPTION CHARACTERISTICS

14T101.A. Contract Months
Trading may be scheduled in such months as determined by the Exchange and the number of months open for trading at a given time shall also be determined by the Exchange.

14T101.B. Trading Unit
Each option reflects one fifty (50) metric tons Black Sea Wheat Financially Settled (Platts) futures contract with the same contract month.

14T101.C. Minimum Fluctuations
Prices shall be quoted in U.S. dollars and cents per metric ton. The minimum price fluctuation shall be $0.05 per metric ton or $2.50 per contract. However, a position may be initiated or liquidated at a premium of $1.00 per option contract.

14T101.D. Trading Hours
The hours of trading for this contract shall be determined by the Exchange.

14T101.E. Exercise Prices
Trading shall be conducted for call and put options with strike prices in integral multiples of $2.50 per metric ton. New strike prices at regularly defined intervals shall be added for trading on an as-needed basis.

14T101.F. Position Limits, Exemptions, Position Accountability and Reportable Levels
The applicable position limits and/or accountability levels, in addition to the reportable levels, are set forth in the Position Limit, Position Accountability and Reportable Level Table in the Interpretations & Special Notices Section of Chapter 5. A Person seeking an exemption from position limits for bona fide commercial purposes shall apply to the Market Regulation Department on forms provided by the Exchange, and the Market Regulation Department may grant qualified exemptions in its sole discretion. Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

14T101.G. Nature of Option
Options on Black Sea Wheat Financially Settled (Platts) futures contracts are **American-**~~European~~-Style expiry options and may ~~not~~ be exercised **by the buyer on any Exchange Business Day** ~~prior to expiration~~. **An Option that is in the money and has not been exercised or liquidated prior to the expiration day shall be exercised automatically.**

A Call option on the Black Sea Wheat Financially Settled (Platts) futures contract represents an option for the buyer to assume a long position in the underlying Black Sea Wheat Financially Settled (Platts) futures at the strike price.
A Put option on the Black Sea Wheat Financially Settled (Platts) futures contract represents an option for the buyer to assume a short position in the underlying Black Sea Wheat Financially Settled (Platts) futures at the strike price.
~~The options are financially settled on expiration day.~~

14T101.H. Termination of Trading

Trading terminates on the last trading day of the corresponding Futures contract.

14T102. CASH SETTLEMENT

~~For a Call option on Black Sea Wheat Financially Settled (Platts) futures contracts, the cash settlement amount on expiration day is the differential between the Floating Price and the strike price, multiplied by 50 metric tons, or zero, whichever is greater.~~

For a Call option on Black Sea Wheat Financially Settled (Platts) futures contracts that is not exercised ahead of the expiration day, the settlement on expiration day is the differential between the underlying futures Final Settlement Price and the strike price multiplied by 50 metric tons, or zero which ever is greater on the day on which the option is exercised.
Where a Call Option is in the money and is exercised ahead of the expiration day, the options will expire into the Black Sea Wheat Financially Settled (Platts) futures contract.

~~For a Put option on Black Sea Wheat Financially Settled (Platts) futures contracts, the cash settlement amount on expiration day is the differential between the strike price and the Floating Price, multiplied by 50 metric tons, or zero, whichever is greater.~~

For a Put Option on Black Sea Wheat Financially Settled (Platts) futures contracts that is not exercised ahead of the expiration day, the settlement on expiration day is the differential between the strike price and underlying futures Final Settlement Price multiplied by 50 metric tons, or zero which ever is greater on the day on which the option is exercised.

Where a Put Option is in the money and is exercised ahead of the expiration day, the options will expire into the Black Sea Wheat Financially Settled (Platts) futures contract.

~~The Floating Price for each contract month shall be equal to the arithmetic average of the "FOB Black Sea wheat (Russia, 12.5%)" price assessment published by Platts for each day that it is determined during the contract month. The Floating Price shall be rounded to the nearest $0.01.~~

14T103. OPTION PREMIUM FLUCTUATION LIMITS

There are no option premium limits during any day for options on Black Sea Wheat Financially Settled (Platts) futures contracts.

14T104. PAYMENT OF OPTION PREMIUM

The option premium must be paid in full by each clearing member to the Clearing House and by each option customer to his futures commission merchant at the time that the option is purchased, or within a reasonable time after the option is purchased.

14T105. DISCLAIMER

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Chapter 10E
Options on Black Sea Corn Financially Settled (Platts) Futures

10E100. SCOPE OF CHAPTER

This chapter is limited in application to put and call options on Black Sea Corn Financially Settled (Platts) futures contracts. In addition to the rules of this chapter, transactions in options on Black Sea Corn Financially Settled (Platts) futures shall be subject to the general rules of Exchange insofar as applicable.

10E101. OPTION CHARACTERISTICS

10E101.A. Contract Months
Trading may be scheduled in such months as determined by the Exchange and the number of months open for trading at a given time shall also be determined by the Exchange.
10E101.B. Trading Unit
Each option reflects one fifty (50) metric tons Black Sea Corn Financially Settled (Platts) futures contract with the same contract month.
10E101.C. Minimum Fluctuations
Prices shall be quoted in U.S. dollars and cents per metric ton. The minimum price fluctuation shall be $0.05 per metric ton or $2.50 per contract. However, a position may be initiated or liquidated at a premium of $1.00 per option contract.
10E101.D. Trading Hours
The hours of trading for this contract shall be determined by the Exchange.
10E101.E. Exercise Prices
Trading shall be conducted for call and put options with strike prices in integral multiples of $2.50 per metric ton. New strike prices at regularly defined intervals shall be added for trading on an as-needed basis.
10E101.F. Position Limits, Exemptions, Position Accountability and Reportable Levels
The applicable position limits and/or accountability levels, in addition to the reportable levels, are set forth in the Position Limit, Position Accountability and Reportable Level Table in the Interpretations & Special Notices Section of Chapter 5. A Person seeking an exemption from position limits for bona fide commercial purposes shall apply to the Market Regulation Department on forms provided by the Exchange, and the Market Regulation Department may grant qualified exemptions in its sole discretion. Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.
10E101.G. Nature of Option
Options on Black Sea Corn Financially Settled (Platts) futures contracts are **American** ~~European~~-Style expiry options and may ~~not~~ be exercised **by the buyer on any Exchange Business Day** ~~prior to expiration~~. **An Option that is in the money and has not been exercised or liquidated prior to the expiration day shall be exercised automatically.**

A call option on the Black Sea Corn Financially Settled (Platts) futures contract represents an option for a buyer to assume a long position in the underlying Black Sea Corn Financially Settled (Platts) futures at the strike price.

A put option on the Black Sea Corn Financially Settled (Platts) futures contract represents an option for a buyer to assume a short position in the underlying Black Sea Corn Financially Settled (Platts) futures at the strike price.

~~The options are financially settled on expiration day.~~

10E101.H. Termination of Trading

Trading terminates on the last trading day of the corresponding Futures contract.

10E102. CASH SETTLEMENT

~~For a Call option on Black Sea Corn Financially Settled (Platts) futures contracts, the cash settlement amount on expiration day is the differential between the Floating Price and the strike price, multiplied by 50 metric tons, or zero, whichever is greater.~~

For a Call option on Black Sea Corn Financially Settled (Platts) futures contract that is not exercised ahead of the expiration day, the settlement on expiration day is the differential between the underlying futures Final Settlement Price and the strike price multiplied by 50 metric tons, or zero which ever is greater on the day on which the option is exercised.

Where a Call Option is in the money and is exercised ahead of the expiration day, the options will expire into the Black Sea Corn Financially Settled (Platts) futures contract.

For a Put option on Black Sea Corn Financially Settled (Platts) futures contract that is not exercised ahead of the expiration day, the settlement on expiration day is the differential between the strike price and the underlying futures Final Settlement Price multiplied by 50 metric tons, or zero which ever is greater on the day on which the option is exercised.

Where a Put Option is in the money and is exercised ahead of the expiration day, the options will expire into the Black Sea Corn Financially Settled (Platts) futures contract.

~~For a Put option on Black Sea Corn Financially Settled (Platts) futures contracts, the cash settlement amount on expiration day is the differential between the strike price and the Floating Price multiplied by 50 metric tons, or zero, whichever is greater.~~

~~The Floating Price for each contract month shall be equal to the arithmetic average of the "FOB Black Sea corn (Ukraine)" price assessment published by Platts for each day that it is determined during the contract month. The Floating Price shall be rounded to the nearest $0.01.~~

10E103. OPTION PREMIUM FLUCTUATION LIMITS

There are no option premium limits during any day for options on Black Sea Corn Financially Settled (Platts) futures contracts.

10E104. PAYMENT OF OPTION PREMIUM

The option premium must be paid in full by each clearing member to the Clearing House and by each option customer to his futures commission merchant at the time that the option is purchased, or within a reasonable time after the option is purchased.

10E105. DISCLAIMER

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