



Special Executive Report

DATE: May 23, 2023

SER#: 9201

SUBJECT: Load-Out Procedures for CBOT Corn and Soybean Futures Delivery Facilities in Connection with the 2023 Consolidated Lock Closures on the Illinois River

The Board of Trade of the City of Chicago, Inc. ("CBOT" or "Exchange") has been advised that the U.S. Army Corps of Engineers [announced](#) full closures of the Brandon Road, Dresden Island, and Marseilles Locks commencing Thursday, June 1, 2023 and lasting for approximately 120 days.

CBOT's physically-delivered Corn Futures (CME Globex Code: ZC; CME ClearPort Code: C; Rulebook Chapter: [10](#)) and Soybean Futures (CME Globex Code: ZS; CME ClearPort Code: S; Rulebook Chapter [11](#)) contracts are impacted by this closure.

Fewer than 50 percent of delivery facilities in Corn and Soybean futures lie above the Marseilles Lock, which is the farthest downriver of the three planned closures. CBOT Rule 703.C.G.(8) ("Load-Out – Barge Load-Out Procedures for Corn, Soybeans, and SRW Wheat at facilities in St. Louis-Alton Territory and on the Ohio and Mississippi Rivers") will apply for any outstanding certificates delivered from facilities above the Marseilles Lock. Rule 703.C.G.(8) requires issuers of affected certificates, if they are loaded out, to arrange for barges to be loaded at another regular shipping station not affected by (i.e., below) the closure. The shipper is compensated for transportation differences resulting from the change in the location of shipping in accordance with the Rule. For convenience, CBOT Rule 703.C.G.(8) is provided in Exhibit A below.

For example, suppose there are shipping certificates outstanding in the Lockport-Seneca Shipping District that the taker cancels for load-out. Further suppose that the shipper loads these certificates out at another regular facility in the Ottawa-Chillicothe Shipping District. Lockport-Seneca Shipping District certificates deliver at a 4.75 cent per bushel premium while Ottawa-Chillicothe Shipping District certificates deliver at a 6.25 cent per bushel premium. In this example, the taker would compensate the shipper 1.5 cents per bushel (6.25 minus 4.75).

Questions may be directed to Fred Seamon (312-952-1546 or Fred.Seamon@CMEGroup.com) or Alison Coughlin (312-273-2941 or Alison.Coughlin@CMEGroup.com).

EXHIBIT A
CBOT Rulebook
Chapter 7
(“Delivery Facilities and Procedures”)

703. REGULAR WAREHOUSES AND SHIPPING STATIONS

G. Barge Load-Out Procedures for Corn, Soybeans, and SRW Wheat at facilities in the St. Louis-Alton Territory and on the Ohio and Mississippi Rivers

(8) The shipper shall load water conveyance at the shipping station designated in the shipping certificate. If it becomes impossible to load at the designated shipping station for three (3) consecutive business days due to any circumstance beyond the control of the shipping station (including, but not limited to an act of God, strike, lockout, blockage, embargo, governmental action or terrorist activity) and precludes any party from making or taking delivery of product, the shipper will arrange for water conveyance to be loaded at another regular shipping station in conformance with the shipping certificate and will compensate the owner for any transportation loss resulting from the change in the location of the shipping station. If the aforementioned condition of impossibility prevails at a majority of regular shipping stations, and a declaration of Force Majeure is made pursuant to Rule 701, then shipment may be delayed for the number of days that such impossibility prevails at a majority of regular shipping stations. If conditions covered in this Rule make it impossible to load at the designated shipping station, the shipper shall notify the Registrar's Office in writing of such condition within 24 hours of when the condition of impossibility began.