



Special Executive Report

S-5952

September 22, 2011

CLARIFICATION OF CBOT WHEAT FUTURES LOAD-OUT REQUIREMENTS FOR RIVER DELIVERY FACILITIES

CBOT Wheat futures river delivery facilities in the St. Louis – East St. Louis – Alton switching district, the Ohio River territory, and the Mississippi River territory are not required to load-out via rail against shipping certificates issued from these facilities.

The CBOT expanded the Wheat futures delivery territories in 2009 to include river delivery facilities on the Ohio and Mississippi Rivers. These facilities were approved to be regular delivery facilities based on their barge loading capabilities. Rule 703 in the CBOT Rulebook lists minimum load-out rates for each conveyance supported in each delivery territory. Facilities in the St. Louis – East St. Louis – Alton switching district, the Ohio River territory, and the Mississippi River territory have load-out rates based only on barge loading capability, indicating that barges are the only conveyance these facilities are required to load.

Market participants who take delivery of shipping certificates issued from a river delivery facility and would like to load-out wheat using a conveyance other than barges may do one of the following:

1. Privately negotiate with the shipping certificate issuer to arrange mutually acceptable alternative load-out procedures.
2. Re-deliver the shipping certificates on the futures market.
3. Trade the shipping certificates in the cash market.
4. Hold the shipping certificates and pay premium (storage) fees.

Questions may be directed to Fred Seamon (312-634-1587 or Fred.Seamon@CMEGroup.com).