



Special Executive Report

S-5967

October 7, 2011

REGULARITY REQUIREMENTS IN CBOT WHEAT FUTURES

The CFTC approved regularity requirements for CBOT Wheat futures delivery facilities in December 2008. Due to an internal technical issue, the CBOT Rulebook was not updated with this approved language in Regulation 14109.A. The CBOT Registrar's Office, who oversees delivery and regularity issues for the CBOT grains/oilseeds products, has been correctly following these approved regularity requirements for all CBOT Wheat delivery facilities.

The CBOT Rulebook has been updated with the approved language and internal procedures have since been corrected to assure approved rule modifications are implemented into the Rulebook. The approved language is attached.

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

Text of Rule Amendments

(Additions are underlined, deletions are bracketed and overstruck.)

Chapter 14 Wheat Futures

14109.A. Regularity Requirements

In addition to the conditions set forth in Rule 703. A., Conditions for Approval, ~~[all facilities regular for delivery of Wheat shall be connected by railroad tracks with one or more railway lines.]~~ the following shall constitute requirements and conditions for regularity:

1. The operator of a shipping station issuing wheat shipping certificates shall limit the number of shipping certificates issued to an amount not to exceed:
 - a. 20 times his registered total daily rate of loading barges on the Mississippi River, Ohio River and St. Louis-East St. Louis-Alton territories and;
 - b. not more than his registered storage capacity in the Chicago, Illinois; Burns Harbor, Indiana; Toledo, Ohio; and Northwest Ohio switching districts and;
 - c. a value greater than 50 percent of the operator's net worth.
2. The shipper issuing wheat shipping certificates shall register his total daily rate of loading for barges at his maximum 8 hour load out capacity in an amount not less than:
 - a. One barge per day at each shipping station within the Mississippi River, Ohio River and St. Louis-East St. Louis-Alton territories; and
 - b. three barges per day at each shipping station in the Chicago, Illinois and Burns Harbor, Indiana Switching Districts.
3. Shippers located in the Chicago, Illinois; Burns Harbor, Indiana; Northwest Ohio; and the Toledo, Ohio Switching Districts shall be connected by railroad tracks with one or more railway lines.