

13 - 164

DATE: April 3, 2013
TO: Clearing Member Firms
FROM: CME Clearing
SUBJECT: **KCBT Integration and the CME and KCBT SPAN Files**

As previously announced and pending final regulatory approval, clearing processing for the Kansas City Board of Trade will be integrated into the CME clearing system, for business day **Monday, April 15, 2013**.

Accordingly, **firms and clients should begin using CME's SPAN file for margining customer positions in KCBT products, on that April 15 date.**

The three KCBT products are already provided in CME's production SPAN files, as follows:

- The clearing product code for the KCBT Hard Red Winter Wheat futures and options is **KW**. These two products are linked into the **KCW** combined commodity.
- The clearing product code for the KCBT wheat calendar swap is **KWS**. This product is linked into the **KWS** combined commodity.
- All three KCBT products are provided in the SPAN file with exchange **CBT**, exactly as previously announced.

As it has for many years, the CME production SPAN file currently contains an "interexchange spread" record between KCBT wheat (**KCB KW**) and CBT wheat (**CBT W**). Effective Monday April 15, this interexchange spread record will be replaced by a normal intercommodity spread between these two products. In particular:

- The interexchange spread between **KCB KW** and **CBT W** will be present in the end-of-day CME SPAN file for Friday April 12, but will be removed in the CME SPAN files for Monday April 15.
- The regular intercommodity spread between **CBT KCW** and **CBT W** will first be present in the CME SPAN files for Monday April 15, along with additional intercommodity spreads involving **CBT KCW**.

On Monday April 15, you will be able to see these changes beginning with the morning (“am”) CME SPAN files made available at approximately 10:30am Central time. **The currently available “New Release” CME SPAN files are representative of these changes.**

The existing separate KCBT SPAN file will continue to be available for one week after the clearing integration, and will be discontinued thereafter. In other words, the separate KCBT SPAN file will be available through Friday April 19, but will no longer be available on Monday April 22.

For more information please contact CME Clearing at 312-207-2525 or ccs@cmegroup.com