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January 21, 2005

Ms. Jean A. Webb
Secretary
Commodity Futures Trading Commission
Three Lafayette Center
1155 21st Street, N.W.
Washington, D.C. 20581

Reference File #2526.02
Rule Certification

Dear Ms. Webb:

Pursuant to Commission Regulation 40.6(a), the Chicago Board of Trade (CBOT[®]) hereby submits the following:

- **Amendments to Rulebook Appendices 4E and 4F per the attached texts (additions are bold face and underlined; deletion is struck through).**

These amendments will establish minimum financial requirements and letter of credit standards applicable to firms which are regular for delivery against CBOT South American Soybean futures.

The CBOT intends to implement these amendments concurrently with the launch of trading in South American Soybean futures (date to be determined).

There were no opposing views among the CBOT's Board of Directors regarding these amendments.

The CBOT certifies that these amendments comply with the Commodity Exchange Act and the rules thereunder.

Sincerely,

Paul Draths
Vice President and Secretary

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Additions are **Bold and Underlined**; Deletions are ~~struck through~~.

APPENDIX 4F
LETTER OF CREDIT STANDARDS
For Corn, Soybeans, **and South American Soybeans** Only

CBOT Regulation 1081.01 **and other CBOT Regulations** require, as a condition for regularity, that issuers of shipping certificates for certain commodities must file a bond and or designated letter of credit with sufficient sureties in such sum and subject to such conditions as the Exchange may require. **The Exchange has determined that the following requirements shall apply to such letters of credit.**

1. The regular firm is required to secure a letter of credit, naming the Chicago Board of Trade as its beneficiary, for 100% **(120% for South American Soybeans)** of the current market value of the shipping certificates issued. **The address of the primary office for the presentation of demand must be located in the United States.**
2. The regular firm is required to monitor the value of the outstanding certificates issued using the futures spot month settlement price. Whenever the amount of the letter of credit falls below 80% **(100% for South American Soybeans)** of the current market value for certificates issued, the regular firm must increase the amount of the letter of credit, or obtain a new letter of credit, for an amount equal to 100% **(120% for South American Soybeans)** of the current market value of outstanding certificates, by 5:00 p.m. (~~Central Chicago~~ time) on the first business day following the relevant futures settlement.
3. Prior to additional shipping certificates being issued, the regular firm must increase the amount of the letter of credit, or secure a new letter of credit, for 100% **(120% for South American Soybeans)** of the current market value of all shipping certificates which are outstanding as well as all shipping certificates which will be issued.
4. The Exchange will accept letters of credit only from banks with a Moody's Investor Service counter party credit rating of A or above or a Standard and Poor's short-term counter party rating not lower than A-2.
5. The letter of credit must be irrevocable, it must provide for payment within the time specified by the Exchange, and it must be able to be drawn upon unconditionally.
6. The letter of credit must be in the form approved by the Exchange.
7. The expiration date of a letter of credit may not occur during any relevant futures delivery cycle.

Additions are **Bold and Underlined**

Appendix 4E

APPENDIX 4E - MINIMUM FINANCIAL REQUIREMENTS FOR AGRICULTURAL REGULARITY

The minimum financial requirements for firms which are regular to deliver agricultural products are:

1. Working Capital - (current assets excluding current receivables from affiliates/parent company less current liabilities) must be greater than or equal to \$2,000,000. All current assets must be readily marketable. Firms which do not have \$2,000,000 in Working Capital must deposit with the Exchange \$5,000 per contract which it is regular to deliver, up to a maximum of \$2,000,000, less SEC haircuts, as specified in SEC Rule 15c3-1(c)(2)(vi), (vii) and (viii) plus 3% in the event of liquidation;
2. Net Worth - (Total assets less total liabilities) divided by the firm's allowable capacity (measured in contracts) must be greater than \$5,000. The net worth of a firm regular to deliver corn, soybeans, **or South American Soybeans** must be greater than or equal to \$5,000,000. The operator of a warehouse/shipping station issuing corn, soybean, **or South American Soybean** shipping certificates may only issue new shipping certificates when the total value of all registered shipping certificates and the new shipping certificates, at the time of issuance of the new shipping certificates, does not exceed 50% of net worth;
3. Each firm which is regular to deliver agricultural products is required to file a yearly certified financial statement within 90 days of the firm's year-end. Each firm is also required to file within 45 days of the statement date unaudited quarterly financial statements for each of the three quarters which do not end on the firm's year-end. In addition, the Exchange may request additional financial information as it deems appropriate.
4. A Letter of Attestation must accompany all unaudited financial statements. The Letter of Attestation must be signed by the Chief Financial Officer or if there is none, a general partner, executive officer, or managerial employee who has the authority to sign financial statements on behalf of the firm and to attest to their correctness and completeness.
5. For the requirements for notification of capital reductions, see Regulation 285.03.
6. Any change in the organizational structure of a firm that is regular for delivery requires that the firm notify the Exchange prior to such change. Changes in organizational structure shall include, but not be limited to, a corporation, limited liability company, general partnership, limited partnership, or sole proprietorship that changes to another form. Prior to any such change occurring, the firm is also required to notify the Exchange in writing of any name change.