

June 16, 2006

Ms. Eileen A. Donovan  
Assistant Secretary of the Commission for  
FOI, Privacy and Sunshine Acts Compliance  
Commodity Futures Trading Commission  
Three Lafayette Centre  
1155 21<sup>st</sup> Street, N.W.  
Washington, D.C. 20581

**CONFIDENTIAL TREATMENT  
REQUESTED**

OFFICE OF THE SECRETARIAT

JUN 16 PM 3:16

RECEIVED  
OFFICE OF THE SECRETARIAT

RE: FOIA CONFIDENTIAL TREATMENT REQUEST

Dear Ms. Donovan:

The Board of Trade of the City of Chicago, Inc. ("CBOT<sup>®</sup>" or "Exchange") hereby petitions the Commodity Futures Trading Commission, pursuant to Regulation 145.9, 17 C.F.R. §145.9, for confidential treatment of a document relating to the CBOT's business. This document is being provided to the Office of the Secretariat, in a Rule Certification, Reference File #2680.02, in connection with the establishment of an Electronic Market Maker (EMM) Program for CBOT Denatured Fuel Ethanol Futures, and is entitled "Appendix 1 - Salient Features of CBOT<sup>®</sup> Ethanol Futures Electronic Market Maker (EMM) Program".

Confidential treatment is requested for this document, until further notice, because disclosure would reveal confidential commercial or financial information.

Pursuant to Regulation 145.9 (d)(3), 17 C.F.R. §145.9 (d)(3), the undersigned may be reached at the Chicago Board of Trade, 141 West Jackson Boulevard, Chicago, Illinois 60604 at (312) 435-3605.

Sincerely,

Paul J. Draths  
Vice President and Secretary

cc: Office of the Secretariat

June 16, 2006

Ms. Eileen A. Donovan  
Acting Secretary  
Commodity Futures Trading Commission  
Three Lafayette Centre  
1155 21<sup>st</sup> Street, N.W.  
Washington, D.C. 20581

Reference File #2680.02  
Rule Certification

Dear Ms. Donovan:

Pursuant to Commission Regulation 40.6(a), the Chicago Board of Trade (CBOT<sup>®</sup>) hereby submits the following, a portion of which is subject to the enclosed FOIA Confidential Treatment Request:

- **Establishment of an Electronic Market Maker (EMM) Program for CBOT Denatured Fuel Ethanol Futures. (A summary of the program's salient features is attached.)**

This submission amends a previous CBOT submission dated May 25, 2006 (CBOT Reference File #2680.01).

This initiative has been established pursuant to CBOT Rule 225.00 "General Enabling Rule for Market Maker Programs", which authorizes the Chief Executive Officer of the Exchange to approve the implementation of such programs.

The CBOT certifies that this program complies with the Commodity Exchange Act and the rules thereunder.

Sincerely,

Paul J. Draths  
Vice President and Secretary

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## **Salient Features of CBOT<sup>®</sup> Ethanol Futures Electronic Market Maker (EMM) Program**

### **EMM Obligations**

Participants in this non-exclusive EMM program will provide two-sided markets in CBOT Denatured Fuel Ethanol futures (“Ethanol futures”) on the CBOT’s electronic platform (e-cbot<sup>®</sup>), on a continuous basis during specified market hours for such futures, unless prevented from doing so as a result of extraordinary circumstances beyond the EMM’s reasonable control or due to position limits.

EMM participants agree that they will make markets in Ethanol futures at agreed upon minimum size and maximum bid/offer spread levels.

### **EMM Incentives**

In return for an EMM’s fulfillment of its obligations, such EMM will receive the following for the period coinciding with EMM’s period of participation in this program:

- 1) **Transaction fees**: All CBOT electronic transaction fees (excluding clearing fees) will be rebated for EMM proprietary transactions in Ethanol futures.
- 2) **Exchange Fee Credit Pool (“EFCP”)**: EFCP is defined as 20% of the total electronic exchange transaction fees collected by the CBOT for Ethanol futures (less EMM fee rebates).
  - a) The minimum volume requirement to be eligible to receive any portion of the EFCP for any given month will be 10% of the total sides of Ethanol futures traded on the electronic platform for that month. Incentives drawn from this pool would be paid to the top two qualifying EMMs on a pro-rata basis. (Their pro-rated shares would be based on the percentage of total EMM volume that each of the qualifying EMMs generated for that particular month.)
  - b) If no EMM qualifies for the EFCP, then there will be no payout of the applicable pool for that particular month, and the EFCP will not roll forward to any future month.

**Term**

EMM Agreements will have an initial term expiring December 31, 2006, and may be extended if mutually agreed.

**Termination**

EMM Agreements may be terminated for uncorrected material breach, upon a specified notice period under specified circumstances, as defined in the EMM Agreement, or by mutual consent at any time.