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October 2, 2007

Mr. David Stawick
Secretary
Commodity Futures Trading Commission
Three Lafayette Center
1155 21st Street, N.W.
Washington, D.C. 20581

Reference File #2834.01
Request for Commission Rule Approval

Dear Mr. Stawick:

- (i) The following Request for Commission Rule Approval is submitted pursuant to Section 5(c) of the Commodity Exchange Act and Commission Regulations 40.4 and 40.5.
- (ii) The Chicago Board of Trade (CBOT[®]) hereby notifies the Commodity Futures Trading Commission (CFTC) that it intends, with CFTC approval, to amend the following CBOT rules, regulations and rulebook appendixes as indicated in the attached texts:
Rules/Regulations 1009.01, 1009.02, 1036.00A, 1036.01, 1041.00, 1042.00, 1042.01, 1043.01, 1043.02, 1049.01B, 1056.01, 1081.01, 1081.01A, 1083.01, 1084.01, 1085.01 and Rulebook Appendixes 10G and 10I.

These amendments will revise CBOT Oat futures as follows:

1. Change the delivery instrument from a warehouse receipt to a shipping certificate and require that takers of delivery be given preference with respect to load-out.
2. Increase the maximum storage/premium charge for Oat futures from 13/100s of one cent per bushel per day to 15/100s of one cent per bushel per day.
3. Add Duluth, Minnesota and Superior, Wisconsin as a delivery point at a 14 cent per bushel discount.

Subject to CFTC approval, the CBOT intends to implement Items 1 and 2 above starting with the July 2008 contract and Item 3 above starting with the September 2008 contract. The CBOT has announced these proposed changes publicly by Notice dated September 21, 2007 (copy attached).

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Concerning the revisions identified in Items 1 and 2, the CBOT notes that there is open interest in July 2008 Oat futures. Concerning the revision identified in Item 3, there is no open interest in September 2008 Oat futures and only minimal open interest (11 contracts as of October 1, 2007) in December 2008 Oat futures. For reasons detailed in section (iv) below, the CBOT submits that the existence of open interest should not be an impairment to the Exchange's implementation plan.

(iii)The CBOT Board of Directors approved these changes pursuant to Rule 130A.

(iv)The referenced revisions are designed to enhance the efficiency and performance of CBOT Oat futures. The following provides background detail concerning the operation, purposes and effects of these revisions.

In March 2007 the CBOT adopted changes to its Wheat futures contract designed to aid the performance of that contract. In response to the changes to Wheat futures, the oat industry requested an industry meeting to discuss similar changes and whether such changes would also benefit the Oat futures contract. Approximately 25 attendees participated in an Oat Industry Meeting held at the Exchange on June 28, 2007. The major items discussed included:

1. The Oat futures contract delivery instrument.
2. Oat futures storage charges.
3. Whether Duluth/Superior should be added as a delivery point.

A broad consensus at the meeting supported changing the delivery instrument from warehouse receipts to shipping certificates; increasing Oat futures storage charges; and adding Duluth/Superior as a delivery point. Management followed up the industry meeting with a questionnaire to further engage the industry. The feedback provided through these initiatives, as well as the Exchange's own economic analysis, contributed to the current proposals, which are discussed individually below.

1. Delivery Instrument

Warehouse receipts are the current delivery instruments for Wheat, Oat and Rice futures while shipping certificates are the delivery instruments for Corn and Soybean futures. Under rule changes approved by the CBOT and the CFTC earlier this year, the delivery instrument for Wheat futures will be changed to shipping certificates beginning in July 2008.

Warehouse receipts represent title to grain in a regular warehouse. Thus, each outstanding warehouse receipt is backed by grain in the regular warehouse. A shipping certificate requires a regular warehouse to perform on load-out just as with a warehouse receipt; however, a shipping certificate does not require the regular warehouse to have the grain represented by outstanding shipping certificates in its facility.

Because actual grain need not be in the regular warehouse's facility for it to issue a shipping certificate, the Exchange requires the warehouse to file a bond and/or letter of credit for the value of outstanding certificates. A warehouse may also secure outstanding shipping certificates with stocks of grain, as a warehouse currently does with warehouse receipts. This is accomplished by executing a three-party agreement between the regular facility, the regular facility's clearing firm and the CBOT whereby warehouse receipts are held by the clearing firm as collateral for shipping certificates.

Since shipping certificates can be delivered on the electronic delivery system of the Clearing House, and warehouse receipts cannot, clearing firms and regular warehouses could realize cost savings and other benefits by implementing shipping certificates as the delivery instrument for the Oats contract. The benefits include automated calculation and transfer of storage charges from the buyer's clearing firm to the regular facility's clearing firm, electronic transfer of shipping certificates from the seller's clearing firm to the buyer's clearing firm and electronic transfer of funds through the Clearing House pay/collect system. In addition, the risk of lost or stolen paper receipts is eliminated with electronic shipping certificates.

Changing the oat delivery instrument to shipping certificates would likely increase the deliverable supply of oats and possibly the number of deliveries and help to ensure convergence between cash and futures prices. Most regular warehouses handle multiple commodities and are reluctant to tie up their facilities with too much of any one commodity. With a shipping certificate, the warehouse can source grain at interior locations and issue shipping certificates on that grain without tying up valuable storage space at its regular facility. With oats, a warehouse may be reluctant to issue too many warehouse receipts, particularly going into the corn, soybean, or spring wheat harvest due to lack of space at its facility. However, in this situation it would be more likely to issue shipping certificates because the oat shipping certificates would not affect the warehouse's other merchandising businesses.

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The maximum quantity of certificates a regular warehouse would be allowed to issue would be equal to the warehouse's approved capacity, pending receipt of an approved letter of credit or execution of a three-party agreement as described above. Therefore, maximum regular capacity for shipping certificates would be determined the same way as it is now for warehouse receipts, except that the warehouse would not be required to have stocks of oats in store prior to issuing certificates.

The warehouse would be required to perform in the same manner should a shipping certificate be cancelled for load out as when warehouse receipts are cancelled for load out (e.g., the warehouse must begin loading against canceled certificates within 3 business days following the receipt of canceled certificates and loading instructions or the day following constructive placement of the transportation conveyance, whichever is later). Thus, for a buyer, there should be no difference. The buyer would have its grain loaded out under the same schedule and at the same location as with the warehouse receipt system. Additionally, regular warehouses in other products that use shipping certificates as the delivery instrument are required to give preference to takers loading out cancelled shipping certificates.

Changing the oat delivery instrument to shipping certificates was supported by all attendees at the CBOT's industry meeting and by 12 of 14 firms responding to the CBOT's questionnaire.

2. Storage Charges

The maximum storage charge for carrying oat warehouse receipts is currently 13/100 of one cent per bushel per day or approximately 3.9 cents per bushel per month. Corn, soybeans, and wheat have a maximum storage or premium charge of 15/100 of one cent per bushel per day or approximately 4.5 cents per bushel per month. Beginning with the July 2008 Wheat futures contract, the maximum wheat premium charge will increase to 16.5/100 of one cent per bushel per day or approximately 5 cents per bushel per month.

Industry meeting attendees strongly supported increasing the maximum storage charge for carrying oat warehouse receipts. However, there was little input offered regarding how much the storage charge should be increased. Attendees mentioned the importance of investment in infrastructure to the success and performance of agricultural markets. However, storage or premium charges that are too high can attract too many outstanding certificates and make futures market spreads slower to react to cash market developments. Thus, feedback on storage charges was solicited in the questionnaire. Of the 14 firms that answered the questionnaire, 12 supported increasing the storage charge to 15/100 of one cent per bushel per day, one recommended no change, and one offered no opinion on this topic.

The CBOT concluded that a modest increase in the maximum premium charge for carrying oat shipping certificates, to 15/100 of one cent per bushel per day, would be appropriate. Additionally, this rate is consistent with current corn and soybean charges.

3. Duluth/Superior Delivery Point

U.S. oat production has been trending lower over the past 15 years. Oat consumption in the U.S. has also been falling during this time; however, production has been falling more quickly than consumption. As such, oat imports into the U.S. have been increasing, particularly from Canada. Duluth/Superior is the major U.S. border crossing point for Canadian oats. Attendees at the industry meeting supported adding Duluth/Superior as a delivery point for CBOT Oat futures as did all 14 respondents to the questionnaire.

The Burlington Northern Santa Fe Railroad (BNSF) website reports almost 100 million bushels of grain storage capacity at Duluth/Superior. However, only about 28.6 million bushels of that capacity is utilized for oats, which compares favorably with the 31.3 million bushels of regular oat storage capacity in Minneapolis.

The Canadian Grain Commission rarely issues grades on oats and does not issue U.S. grades. Most oats in Canada destined for export are graded by private surveyor companies. These firms may issue U.S. grades. Consistent with current rules, regular shipping stations in Duluth/Superior would be required to load out oats that meet the U.S. grade specified on the shipping certificate.

Meeting attendees suggested a 13 cent per bushel discount for Duluth/Superior deliveries, based on the average rail rate from Duluth to Minneapolis. Current BNSF tariff rates for oats between Duluth/Superior and Minneapolis are between \$711 and \$761 per car, which implies a 13.5 to 14 cent discount. Of the 14 questionnaire respondents, 12 recommended the addition of Duluth/Superior as a delivery point with a 14 cent per bushel discount, and one each recommended 10 and 12 cent per bushel discounts, respectively.

Given the increasing importance of Canadian oats in the U.S., the CBOT concluded that Duluth/Superior should be added as a delivery location for CBOT Oat futures at a 14 cent per bushel discount. Since regular warehouses in Minneapolis are required to load two modes of transportation (rail and barge), Duluth/Superior regular facilities also would be required to load both rail and vessel.

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As noted previously, the new Duluth/Superior delivery point initially would be implemented for September 2008 Oat futures, in which there is no open interest. The December 2008 Oat contract, which also would be subject to the new delivery point, has a minimal open interest as previously indicated. However, the CBOT submits that any pricing impact of the new delivery point, which is more than one year into the future, should be minor relative to other fundamental factors such as supply and demand. Furthermore, the Exchange notes that the proposed differential for Duluth/Superior is consistent with cash market price differentials between Duluth and Minneapolis.

- (v) There were no opposing views among the CBOT Board of Directors concerning this proposal.
- (vi) The CBOT has not identified any Commission regulations or sections of the Act which require amendment or interpretation in connection with this proposal.

Questions in this regard may be directed to David Lehman (312/347-3848) or Fred Seamon (312/347-3808) in the CME Group Corporate Development Division.

Sincerely,

Paul J. Draths
Vice President and Secretary

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September 21, 2007

NOTICE

Re: CBOT® Oat Futures/Revised Specifications

The Board of Directors has approved the following changes to the CBOT® Oat futures contract:

1. Change the delivery instrument from a warehouse receipt to a shipping certificate.
2. Increase the storage/premium charge from 13/100s of one cent per bushel per day to 15/100s of one cent per bushel per day.
3. Add Duluth, MN and Superior, WI as a delivery point at a 14 cent per bushel discount.

Subject to CFTC approval, Items 1 and 2 above will be implemented starting with the July 2008 contract and Item 3 above will be implemented starting with the September 2008 contract. Further details on the implementation of these provisions will follow at a later date.

Questions in this regard may be directed to Dave Lehman (312-347-3848) or Fred Seamon (312-347-3808) in the Corporate Development Division.

Paul J. Draths
Vice President and Secretary

Deletions are ~~[bracketed with strikethrough]~~ and additions are **bold and underlined**. All changes related to Oat futures are also highlighted to differentiate them from the pending changes in Wheat futures.

~~oat futures deliverable in the current month shall be made after the business day preceding the 15th calendar day of that month. Any contracts remaining open after the last day of trading must be either:~~ [wheat or]

1009.02 Last Day of Trading of Delivery Month-Corn, Wheat, Oats, and Soybeans - No trades in corn, wheat, oats, and soybean futures deliverable in the current month shall be made after the business day preceding the 15th calendar day of that month. Any contracts remaining open after the last day of trading must be either:

- a) Settled by delivery no later than the second business day following the last trading day (tender on business day prior to delivery).
- b) Liquidated by means of a bona fide exchange of futures for the actual cash commodity, or an over-the-counter transaction, no later than the business day following the last trading day.

1036.01 Location Differentials - Unless otherwise specified, contracts for the sale of wheat, corn, soybeans and oats shall be deemed to call for "contract" wheat, corn, soybeans and oats respectively. Upon such contracts, sellers, at their option, may deliver all or part at the following locations at the following price differentials, subject to the differentials for grade outlined in Rule 1036.00, provided that lots of grain of any one grade must conform to the minimum lot requirements of Rule 1004.00:

WHEAT LOCATION DIFFERENTIALS

In accordance with the provisions of Rule 1041.00C, wheat in regular warehouses located within the Chicago Switching District, the Burns Harbor, Indiana Switching District or the Toledo, Ohio Switching District may be delivered in satisfaction of Wheat futures contracts at contract price, subject to the differentials for class and grade outlined above. Only No. 1 Soft Red Winter and No. 2 Soft Red Winter Wheat in regular warehouses located within the St. Louis-East St. Louis and Alton Switching districts may be delivered in satisfaction of Wheat futures contracts at a premium of 10 cents per bushel over contract price, subject to the differentials for class and grade outlined above.

CORN LOCATION DIFFERENTIALS

(See Regulation C1036.01-Location Differentials for Corn futures contracts.)

SOYBEAN LOCATION DIFFERENTIALS

(See Regulation S1036.01-Location Differentials for Soybean futures contracts.)

OATS LOCATION DIFFERENTIALS

In accordance with the provisions of Rule 1041.00B, oats in regular warehouses located within the Chicago Switching District, the Burns Harbor, Indiana Switching District, the Minneapolis, Minnesota Switching District, or the St. Paul, Minnesota Switching District may be delivered in satisfaction of Oats futures contracts at contract price, and

located in regular warehouses located within the Chicago Switching District, the Burns Harbor, Indiana Switching District, the Minneapolis, Minnesota Switching District, or the St. Paul, Minnesota Switching District, may be delivered in satisfaction of Oats futures contracts at contract price, and

subject to the differentials for class and grade outlined above.

1041.00 Delivery Points –

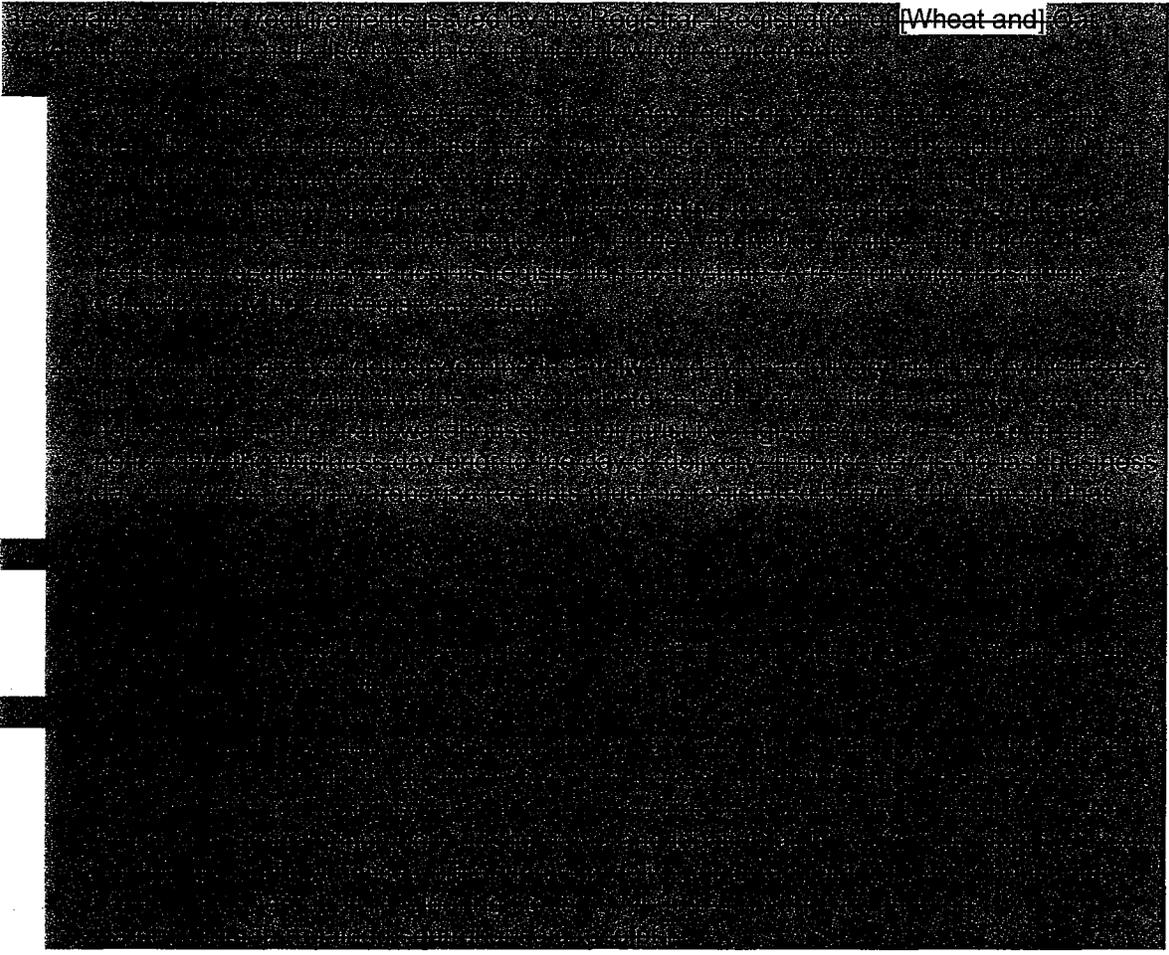
A. Corn. See Rule C1041.01-Delivery Points for Corn futures contracts.

B. Oats. Oats in regular warehouses located within the Chicago Switching District, the Burns Harbor, Indiana Switching District or the Minneapolis, Minnesota or St. Paul, Minnesota Switching Districts, may be delivered in satisfaction of oats futures contracts.

C. Wheat. Wheat in regular warehouses located within the Chicago Switching District, the Burns Harbor, Indiana Switching District or the Toledo, Ohio Switching District may be delivered in satisfaction of wheat futures contracts. Only No. 1 Soft Red Winter and No. 2 Soft Red Winter Wheat in regular warehouses located within the St. Louis-East St. Louis and Alton Switching Districts may be delivered in satisfaction of Wheat futures.

D. Soybeans. See Rule S1041.01-Delivery Points for Soybean futures contracts.





1043.01 Delivery of Corn, Wheat, [REDACTED] and Soybeans by Shipping Certificates - Deliveries of Corn, Wheat, [REDACTED] and Soybeans shall be made by delivery of Shipping Certificates issued by Shippers designated by the Exchange as regular to issue Shipping Certificates for Corn, Wheat, [REDACTED] and Soybeans using the electronic fields which the Exchange and the Clearing Services Provider require to be completed. In order to effect a valid delivery each Shipping certificate must be endorsed by the holder making the delivery, and transfer as specified above constitutes endorsement. Such endorsement shall constitute a warranty of the genuineness of the Certificate and of good title thereto, but shall not constitute a guaranty, by an endorser, of performance by the issuer of the Certificate. Such endorsement shall also constitute a representation that all premium charges have been paid on the commodity covered by the certificate, in accordance with Regulation [REDACTED] C1056.01 or [REDACTED] S1056.01, as applicable.

1043.02 Registration of Corn, Wheat, [REDACTED] and Soybean Shipping Certificates – Corn, Wheat, [REDACTED] and Soybean Shipping Certificates in order to be eligible for delivery must be registered with the Official Registrar and in accordance with the requirements issued by the Registrar. Registration of Corn, Wheat, [REDACTED] and Soybean Shipping Certificates shall also be subject to the following requirements:

- a. Shippers who are regular for delivery may register certificates at any time. If the shipper determines not to tender the shipping certificate by 4:00 p.m., or by such other time designated by the Exchange, on the day it is registered, the shipper shall declare the certificate is withdrawn but is to remain registered by transmitting to the Registrar the certificate number and the name and location of the shipping plant. The holder of a registered certificate may cancel its registration at any time. A certificate which has been canceled may not be registered again.
- b. No notice of intention to deliver a certificate shall be tendered to the Clearing Services Provider unless said certificate is registered and in possession of the clearing member tendering the notice or unless a shipping certificate is registered and outstanding. When a notice of intention to deliver a certificate has been tendered to the Clearing Services Provider, said certificate shall be considered to be "outstanding" until its registration is cancelled.
- c. From his own records, the Registrar shall maintain a current record of the number of certificates that are registered and shall be responsible for posting this record on the Exchange Floor and the CBOT website. The record shall not include any shipping certificates that have been declared withdrawn.
- d. When a registered shipper regains control of a registered certificate calling for shipment from one of his shipping stations, which in any manner relieves him of the obligation to ship corn or soybeans upon demand of a party other than himself, the shipper shall by 4:00 p.m. of that business day, or by such other time designated by the Exchange either cancel the registration of said certificate or declare that said certificate is withdrawn but is to remain registered by transmitting to the Registrar the certificate number and the name and location of the shipping plant, except in the case where a notice of intention to redeliver said certificate for the shipper has been tendered to the Clearing Services Provider by 4:00 p.m., or by such other time designated by the Exchange, of the day that the shipper regained control of said certificate.
- e. The Registrar shall not divulge any information concerning the registration, delivery or cancellation of certificates other than the record posted on the Exchange Floor and the CBOT website, except that he shall issue a daily report showing the total number of certificates registered as of 4:00 p.m., or such other time designated by the Exchange, on each trading day of the week. In addition to the information posted on the Exchange Floor and the CBOT website, this daily report will show the names of shippers whose certificates are registered and the location of the shipping stations involved. This report shall not include any shipping certificates that have been declared withdrawn.



[REDACTED]

1056.01 [REDACTED] [Wheat and] [REDACTED] Premium Charges for Corn, Wheat, and Soybeans -

To be valid for delivery on futures contracts, all [REDACTED] shipping certificates covering [Wheat and] [REDACTED] Corn, Wheat, [REDACTED] and Soybeans under obligation for shipment must indicate the applicable [REDACTED] premium charge. No [REDACTED] shipping certificates shall be valid for delivery on futures contracts unless the [REDACTED] premium charges on such grain shall have been paid up to and including the 18th calendar day of the preceding month, and such payment endorsed on the [REDACTED] shipping certificate. Unpaid accumulated [REDACTED] premium charges at the posted rate applicable to the warehouse or shipping station where the grain is [REDACTED] under obligation for shipment shall be allowed and credited to the buyer by the seller to and including date of delivery.

If [REDACTED] premium charges are not paid on-time up to and including the 18th calendar day preceding the delivery months of March, July and September and by the first calendar day of each of these delivery months, a late charge will apply. The late charge will be an amount equal to the total unpaid accumulated [REDACTED] premium charges multiplied by the "prime interest rate" in effect on the day that the accrued [REDACTED] premium charges are paid plus a penalty of 5 percentage points, all multiplied by the number of calendar days that [REDACTED] premium is overdue, divided by 360 days. The term "prime interest rate" shall mean the lowest of the rates announced by each of the following four banks at Chicago, Illinois, as its "prime rate": Bank of America-Illinois, JP Morgan Chase & Co., Harris Trust & Savings Bank, and the Northern Trust Company.

The [storage rates on Wheat and] premium charges on Corn, [REDACTED] and Soybeans for delivery shall not exceed 15/100 of one cent per bushel per day. The premium charges on Wheat for delivery shall not exceed 16.5/100 of one cent per bushel per day.

[REDACTED]

1081.01 Regularity of [Warehouses and] Issuers of Shipping Certificates –

Warehouses or shipping stations may be declared regular for the delivery of grain with the approval of the Exchange. Persons operating grain warehouses or shippers who desire to have such warehouses or shipping stations made regular for the delivery of grain under the Rules and Regulations shall make application for an initial Declaration of Regularity on a form prescribed by the Exchange prior to May 1 of an even year, for a two-year term beginning July 1 of that year, and at any time during a current term for the balance of that term. Regular grain warehouses or shippers who desire to increase their regular capacity during a current term shall make application for the desired amount of total regular capacity on the same form. Initial regularity for the current term and increases in regularity shall be effective either thirty days after a notice that a bona fide application has been received is posted by the Exchange, or the day after the application is approved by the Exchange, whichever is later. Persons operating grain

warehouses or shipping stations who desire to have their daily rate of loading decreased, shall file with the Exchange a written request for such decrease at which time a notice will be posted by the Exchange. The decrease in the daily rate of loading for the facility will become effective 30 days after a notice has been posted by the Exchange or the day after the number of outstanding certificates at the facility is equal to or less than 20 times the requested rate of loading, whichever is later. Persons operating grain warehouses or shipping stations who wish to have their regular capacity space decreased shall file with the Exchange a written request for such decrease and such decrease shall be effective once a notice has been posted by the Exchange. Applications for a renewal of regularity shall be made prior to May 1 of even years for the respective years beginning July 1 of those years, and shall be on the same form.

The Exchange may establish such requirements and conditions for approval of regularity as it deems necessary. The following shall constitute the minimum requirements and conditions for regularity of grain warehouses and shipping stations:

- (1) The warehouse or shipping station making application shall be inspected by the Exchange or the United States Department of Agriculture. Where application is made to list as regular a warehouse which is not regular at the time of such application, the applicant may be required to remove all grain from the warehouse and to permit the warehouse to be inspected and the grain graded, after which such grain may be returned to the warehouse and [REDACTED] issued therefor.

See Regulation C1081.01(1)-Regularity of Warehouses and Issuers of Shipping Certificates for Corn futures contracts.

See Regulation S1081.01(1)-Regularity of Warehouses and Issuers of Shipping Certificates for Soybean futures contracts.

- (2) Such warehouse [REDACTED] shall be connected by railroad tracks with one or more railway lines.

See Regulation C1081.01(2)-Regularity of Warehouses and Issuers of Shipping Certificates for Corn futures contracts

See Regulation S1081.01(2)-Regularity of Warehouses and Issuers of Shipping Certificates for Soybean futures contracts.

- (3) The proprietor or manager of such warehouse or shipping station shall be in good financial standing and credit, and shall meet the minimum financial requirements and financial reporting requirements set forth in Appendix 4E. No warehouse or shipping station shall be declared regular until the person operating the same files a bond and/or designated letter of credit with sufficient sureties, or deposits with the Exchange, treasury securities, or other collateral deemed acceptable to the Exchange, in such sum and subject to such conditions as the Exchange may require. Any such sums shall be reduced by SEC haircuts, as specified in SEC Rule 15c3 -1(c)(2)(vi), (vii) and (viii). If the warehouseman/shipper deposits treasury securities or any other collateral with the Exchange, it must execute a security agreement on a form prescribed by the Exchange.

- (4) Such warehouse or shipping station shall be provided with modern improvements and appliances for the convenient and expeditious receiving, handling and shipping of grain in bulk.
- (5) The proprietor or manager of such warehouse or shipping station shall comply with the system of registration of [REDACTED] shipping certificates as established by the Exchange, and shall furnish accurate information to the Exchange regarding all grain received and delivered by the warehouse or shipping station on a daily basis, and that remaining in store at the close of each week, in the form prescribed by the Exchange.
- (6) Safeguarding Condition of Grain in Warehouses.
 - a) The Board of Trade shall designate an agency for registration of public warehouse receipts, and only public warehouse receipts registered with such agency shall be within the provisions of paragraph (b) following.
 - b) Whenever in the opinion of the operator of the warehouse any grain stored in a public warehouse under his jurisdiction should be loaded out in order to protect the best interests of the parties concerned, such operator shall notify the agency giving the location and grades of such grain. The agency shall immediately notify an appropriate grain inspection service who shall at once proceed to the warehouse in which the grain is stored and examine it in conjunction with the Superintendent of such warehouse. If the grain inspection service agrees with the Superintendent that the grain should be moved, it shall so notify the Registrar of the Chicago Board of Trade. If the grain inspection service does not agree with the Superintendent that the grain should be moved, the operator of the warehouse shall have a right to appeal to the Business Conduct Committee of the Board of Trade. If on such appeal the Business Conduct Committee shall agree with the Superintendent that the grain should be moved, the Business Conduct Committee shall so notify the Registrar of the Board of Trade, and the warehouse receipts covering the above specified lot or lots of grain shall no longer be regular for delivery on Board of Trade future contracts. Upon receiving such notice, either from the grain inspection service, or from the Business Conduct Committee, the Registrar shall notify the holder, or holders, or their agents, together with the Chairman of the Business Conduct Committee, of the total quantity of the grade of grain in question (selecting the oldest registered warehouse receipt for such grain first, then such additional registered warehouse receipts in the order of their issuance as may be necessary to equal such total quantity of grain). When this information reaches the Chairman of the Business Conduct Committee he shall appoint a Committee consisting of five disinterested handlers of cash grain, which Committee shall meet at once and after taking into consideration various factors that establish the value of the grade of the receipts held by such owner or owners, shall determine the fair value of the grain, which price shall be that to be paid by the operator. If the price offered is not satisfactory, a Committee appointed by the Chairman of the Business Conduct Committee (at the request of such owner), shall procure other offers for such grain, and such offers shall be immediately reported to the owner or his agent. If the owner refuses to accept any such offers, he shall have the two following business days to order and furnish facilities for loading such grain out of store, and during this period the warehouseman shall be obliged to deliver the grain called for by the warehouse receipts, but not more than three (3) days may elapse after notification by the Registrar to the holder of the receipt before satisfactory disposition shall have been made of the grain, either by sale to the operator or by the ordering out and furnishing facilities to load the same, provided the amount of

such grain does not exceed 100,000 bushels in any one elevator. If the amount of grain in question exceeds 100,000 bushels, the owner, or owners, of the warehouse receipts shall be allowed forty-eight hours of grace over and above the before mentioned three days for each 100,000 bushels in excess of the first 100,000 bushels.

- c) In the event that the holder of the warehouse receipt, or his agent, fails to move the grain or make other satisfactory disposition of same within the prescribed time, it shall be held for his account, and any loss in grade sustained shall likewise be for his account.
 - d) Nothing in the foregoing provisions shall be construed as prohibiting the warehouseman from fulfilling contracts from other stocks under his control.
- (7) The proprietor or manager of such warehouse [REDACTED] shall promptly, by the proper publication, advise the trade and the public of any damage to grain held in store by it, whenever such damage shall occur to an extent that will render it unwilling to purchase and withdraw from store, at its own cost, all such damaged grain.
 - (8) The Board shall be assured that the operator or manager of the warehouse or shipping station will agree to conform to Regulation 1049.03.
 - (9) The proprietor or manager of such warehouse [REDACTED] shall permit the Exchange, at any time, to examine the books and records of the warehouse [REDACTED], for the purpose of ascertaining the stocks of all kinds of grain which may be on hand at any time. The Exchange shall have the authority to determine the quantity of grain in the elevators and to compare the books and records of the warehouse [REDACTED] with the records of the Exchange.
 - (10) The proprietor or manager of a regular warehouse or shipping station shall give assurance that all grain received in and shipped out of such warehouse [REDACTED] shall be weighed under the supervision of an agency approved by the Exchange.
 - (11) The warehouseman or shipper operating such warehouses or shipping stations shall not engage in unethical or inequitable practices, and shall comply with all applicable federal or state statutes, rules or regulations.

All warehousemen and shippers are and shall be and remain subject to the Rules, Regulations and Rulings of the Board of Trade of the City of Chicago on all subjects and in all areas with respect to which the U.S. Department of Agriculture does not assert jurisdiction pursuant to the U.S. Warehouse Act, as amended.

A regular warehouseman or an owner of [warehouse [REDACTED]] can make delivery in a strike bound [REDACTED]. The taker of delivery is liable for all [REDACTED] charges. However, where the owner of [REDACTED] in a strike bound [REDACTED] delivered against futures contracts has a bona fide bid for like [REDACTED] in a strike free [REDACTED] and decides to load the grain out or sell his [REDACTED], the strike bound warehouseman has the option:

- a) to provide that same quantity and like quality of grain in store in another regular warehouse, not on strike, in the same delivery market, or

- b) to provide that same quantity and like quality of grain in store at another location on mutually acceptable terms, or
- c) if no initial agreement can be reached as provided above, the strike bound warehouseman must buy his [REDACTED]
- d) back at the bid price in store for that same quantity and like quality of grain in a strike free elevator in the same delivery market or he has the alternative of proceeding as in (a) above. The bid (which must be a basis bid versus futures) referred to in this paragraph must be good for a minimum period of one hour and must be tendered in writing to the strike bound warehouseman between 1:30 p.m. and 4:30 p.m. on a business day and prior to 8:30 a.m., but not before 7:30 a.m., on the following business day.

The warehouseman must respond to the bid as outlined above within the time period during which the bid is alive.

Should the warehouseman question the validity of the bid, the question shall be referred to a Standing Committee which shall have been appointed on an annual basis by the Chairman of the Board, with the approval of the Board. The Committee shall consist of three members including one regular warehouseman with suitable alternates. In case the strike bound elevator involved is in a market other than that directly represented by the warehouseman appointed, the Chairman may designate a member in said alternate market who is familiar with cash grain values in that market. The sole duty of the Committee shall be to determine that the bid is bona fide. The Committee shall not express any opinion with respect to the economics of the bid.

Within the context of this Regulation, a strike bound elevator is defined as the facility itself being on strike.

[REDACTED] [wheat and] [REDACTED]

The maximum premium for FOB conveyance on Corn and Soybean Shipping Certificates which have been tendered in satisfaction of Board of Trade futures contracts shall be 4 cents per bushel. The maximum premium for FOB conveyance on Wheat [REDACTED] Shipping Certificates which have been tendered in satisfaction of Board of Trade futures contracts shall be 6 cents per bushel.

All fees for stevedoring services to load Corn, Wheat, [REDACTED] and Soybeans into barges are to be paid by the issuer of the Corn, Wheat, [REDACTED] or Soybean Shipping Certificate.

The premium for FOB conveyance is payable at the time of invoice.

(12) Load-Out Procedures.

A. Load-Out Procedures Grains –

1. Corn, Wheat, [REDACTED] and Soybeans; [~~Wheat from Chicago, Burns Harbor and St. Louis;~~ [REDACTED].] An operator of a regular facility has the

obligation of loading grain represented by [REDACTED] shipping certificates giving preference to takers of delivery. When an operator of a facility regular for the delivery of grain receives one or more written loading orders for loading of grain against canceled [REDACTED] shipping certificates, the operator shall begin loading against them within 3 business days following their receipt. When loadings against written loading orders cannot be completed on the fourth business day following their receipt, the operator shall continue loading against such loading orders on each business day thereafter. All warehousemen and shippers shall outload grain against canceled delivery instruments consecutively without giving preference of the type of delivery instrument, kind of grain or mode of transportation. He shall outload all such products in the order in which suitable transportation, clean and ready to load is constructively placed at his facility by the holder of the [REDACTED] shipping certificate, pursuant to bona fide loading orders previously received, and at the loading rates provided in part B of this Regulation.

2. ~~Wheat from Toledo and~~ [REDACTED]

[REDACTED]. It shall be the responsibility of the [REDACTED] shipping certificate holder to supply suitable transportation. Hopper cars shall be considered suitable transportation if they can be sampled by pelican in a manner approved by the appropriate grain sampling agency. Trucks and non-suitable hopper cars may be loaded only with the express agreement of the warehouseman.

Constructive placement at a warehouse or shipping station shall be defined as follows:

- 1) Rail cars-as defined in the appropriate Railroad Freight Tariff on file with the Interstate Commerce Commission;
- 2) Barges-Positioned at an appropriate fleeting service serving the designated delivery point as defined by the Barge Freight Trading Rules (Affreightment) of the National Grain and Feed Association;
- 3) Vessels-In possession of the appropriate Federal Grain Inspection Service and/or National Cargo Bureau documents certifying readiness to accept load-out at the designated delivery point.

It shall be the responsibility of the [REDACTED] shipping certificate holder to request the warehouseman to arrange for all necessary Federal Grain Inspection Service and stevedoring service. The [REDACTED] shipping certificate holder may specify the stevedoring service to be called. The warehouseman shall not be held responsible for non-availability of these services.

B. Load-Out Rates for Grain - In the event a regular grain warehouse or shipping station receives written loading orders for load-out of grain against canceled [REDACTED]

██████████ shipping certificates, the warehouseman or shipper shall be required to load out grain beginning on the third business day following receipt of such loading orders or on the day after a conveyance of the type identified in the loading orders is constructively placed, whichever occurs later. The rate of load-out for warehouses in ~~[Toledo and]~~ Minneapolis-St. Paul ██████████ shall be at the normal rate of load-out for the facility. **The load-out rate for shipping stations in Toledo shall depend on the conveyance and shall not be less than the following per business day:**

	<u>(When certificate holder requests in writing individual weights and grades per car load)</u>	<u>(When certificate holder requests in writing unit average weights and grades)¹</u>	<u>Vessel</u>
<u>Shippers with Regular Capacity greater than 700 Certificates</u>	<u>50 Hopper Cars²</u>	<u>65 Hopper Cars</u>	<u>300,000 Bushels</u>
<u>Shippers with Regular Capacity less than or equal to 700 Certificates</u>	<u>25 Hopper Cars</u>	<u>33 Hopper Cars</u>	<u>300,000 Bushels</u>

The load-out rate for warehouses/shipping stations in Chicago and Burns Harbor and for wheat ~~[warehouses]~~ **shipping stations** in St. Louis shall depend on the conveyance and type of grain being loaded and shall not be less than the following per business day:

	<u>(When ██████████ holder requests in writing individual weights and grades per car load)</u>	<u>(When ██████████ holder requests in writing batch weights and grades)^{(1) 2}</u>	<u>(When ██████████ holder requests in writing unit average weights and grades)</u>	<u>Vessel</u>	<u>Barge</u>
<u>[Wheat,] Corn, Soybeans</u>	<u>25 Hopper Cars</u>	<u>35 Hopper Cars</u>	<u>N/A</u>	<u>300,000 Bushels</u>	<u>3 Barges</u>
<u>Wheat</u>	<u>25 Hopper Cars</u>	<u>35 Hopper Cars</u>	<u>45 Hopper Cars</u>	<u>300,000 Bushels</u>	<u>3 Barges</u>
<u>Oats</u>	<u>15 Hopper Cars</u>	<u>20 Hopper Cars</u>		<u>180,000 Bushels</u>	<u>2 Barges</u>

¹ Unit average weight and grade shall refer to a buyer's request in writing for average weight and average grade per unit rail shipment.

² Minimum load-out rates per hopper car shall refer to 4750 cu ft. grain cars.

4.3 A batch weight and grade shall refer to a buyer's request in writing for 1 weight and 1 grade per 5 rail cars.

Barge load-out rates for corn and soybeans will be at the shipping station's registered daily rate of loading. When wheat and corn or soybeans or when oats and corn or soybeans are in the lineup for loading, the higher loading rate will apply for total barge loadings on that day. However, a warehouseman or shipper is not obligated to load barges of one type of grain that exceeds the daily barge loading rate for that type of grain. Corn and soybeans are considered one type of grain for this regulation pertaining to barge loading rates.

Regular grain warehouses and shipping stations shall not be required to meet these minimum load-out rates when transportation has not been actually placed at the warehouse, transportation equipment is not clean and load ready, inspection services are not available, a condition of force majeure exists, inclement weather, including severe ice conditions, prevents loading, or stevedoring services are not available in the case of water conveyance. However, the exceptions to load-out requirements shall not include grains or soybeans which have not made grade. If precluded from loading when equipment is available, the warehouseman/shipper shall notify the owner by 10:00 a.m. the following business day.

In addition, regular warehouses/shipping stations in Toledo, [REDACTED] Minneapolis-St. Paul, [REDACTED] shall not be required to meet the minimum load-out rate for a conveyance when a "like" conveyance has been constructively placed for load-in prior to the "like" conveyance for load-out. However, when a conveyance for load-out is constructively placed after a "like" conveyance for load-in, the warehouse [REDACTED] will load-in grain from the "like" conveyance at the normal rate of load-in for the facility. This rate of load-in shall depend on the conveyance(s) being unloaded and shall not be less than the following minimums per business day:

	Rail Conveyance or Water Conveyance		
		Vessel or	Barge
Wheat, Corn, Soybeans	35 Hopper Cars	50,000 Bushels	1 Barge
Oats	20 Hopper Cars	50,000 Bushels	1 Barge

Regular warehouses [REDACTED] stations shall not be required to meet these minimum load-in rates when a condition of force majeure exists, inspection services are not available, inclement weather prevents unloading, or stevedoring services are not available in the case of water conveyance.

Any increased overtime costs and charges for trimming and FGIS to meet minimum loadout requirements shall be borne by warehouseman [REDACTED].

Vessel loading shall require 3 days pre-advice to warehouseman [REDACTED] prior to the date of arrival of the vessel. Failure to provide pre advice may delay loading by the same number of days pre-advice is delayed prior to date of arrival of the vessel.

Inability of a [REDACTED] [REDACTED] holder to provide conveyance at an elevator in a timely manner will affect load-out of barges accordingly.

For purposes of this regulation, vessel and barge are "like" conveyances.

- C. Notification to Warehouse/Shippers - The warehouse operator or shipping station shall load-in and load-out grains in the order and manner provided in parts A and B of this Regulation, except that his obligation to load-out grain to a given party shall commence no sooner than three business days after he receives cancelled warehouse receipts/shipping certificates and written loading orders from such party, even if such party may have a conveyance positioned to accept load-out of grain before that time. If the party taking delivery presents transportation equipment of a different type (rail, barge, or vessel) than that specified in the loading orders, he is required to provide the warehouse operator with new loading orders, and the warehouse operator shall be obligated to load-out grain to such party no sooner than three business days after he receives the new loading orders. Written loading orders received after 2:00 p.m. (Chicago time) on a given business day shall be deemed to be received on the following business day. Warehouse receipts/shipping certificates cancelled after 4:00 p.m. shall be deemed to be cancelled on the following business day. Written loading orders must be received no later than two business days after warehouse receipts/shipping certificates are cancelled. If the owner decides against loading out grain within two business days after receipts/certificates are cancelled, he may notify the warehouseman/shipper that warehouse receipts/shipping certificates are to be reissued. In the case of rice[-], [REDACTED], [~~or wheat,~~] if the warehouseman is notified by 12:00 noon, re-issued receipts shall be deliverable by 4:00 p.m. the following business day. Requests to re-issue receipts/shipping certificates more than two business days after receipts/shipping certificates are cancelled are subject to mutual agreement. All fees for re-issuance are payable by the owner.

The warehouseman/shipper shall transmit to the Registrar by 11:00 a.m. the name, location of warehouse/shipping facility, and number of delivery vessels/barges/rail cars constructively placed that day. The Registrar shall maintain a current record of the number of delivery vessels/barges/rail cars constructively placed and shall be responsible for posting this record on the Exchange Floor and the CBOT website.

- D. [REDACTED] Premium Charges - [REDACTED] [~~wheat and~~] [REDACTED]
[REDACTED] Premium charges for corn, wheat, [REDACTED] and soybeans to be shipped pursuant to loading orders shall cease on the business day loading is complete.
- E. Records - All warehousemen and shippers shall keep adequate permanent records showing compliance with the requirements of this Regulation. Such records shall at all times be open for inspection by the designated official or officials of the contract market.
- F. Certification of Corn, Soybeans and Wheat - Upon written request by a taker of delivery at the time loading orders are submitted for the delivery of corn, soybeans or wheat against canceled [~~warehouse receipts~~] shipping certificates, the delivery

warehouseman/shipper shall certify in writing to the taker of delivery on the day that the transportation conveyance is loaded that the grain is of U.S. origin only.

- G. Barge Load-Out Procedures for Corn and Soybeans - When corn or soybeans represented by shipping certificates are ordered out for shipment by water conveyance, the regular shipper has the obligation to load-out grain at his registered daily rate of loading. The shipper's obligation shall begin to a party no sooner than 3 business days after he receives canceled certificates and written loading orders from the party or 1 business day after the constructive placement of the water conveyance, whichever is later.
- 1) All loading orders and shipping instructions received by 2:00 p.m. on a given business day shall be considered dated that day. Orders received after 2:00 p.m. on a business day shall be considered dated the following business day. "To be nominated" (TBN) barge identities are acceptable in loading orders. Load-out shall be in the order in which barge equipment clean and ready to load is constructively placed at the appropriate fleeting service serving the designated delivery point. Load-out of transportation constructively placed on the same day shall be in the order in which loading orders and shipping instructions were received. Notification of loading orders and shipping instructions must be in writing to the shipper.
 - 2) When loading orders and shipping instructions are received by 2:00 p.m. on any given business day, the shipper will advise the owner by 10:00 a.m. the following business day of the scheduled loading dates. Scheduled loading dates are estimated based on constructively placed equipment and current loading orders. These dates are subject to change if conditions covered in Regulation 1081.01(12)(G)(5) preclude the shipper from meeting his minimum daily barge loadout rate or if barges for subsequent loading orders are constructively placed. Notification will be by telephone, mail, or fax to the owner. Shipper is required to provide scheduled loading dates at owner's request.
 - 3) Official grades as loaded into the water conveyance shall govern for delivery purposes.
 - 4) Official weights as loaded into the barge shall govern for delivery purposes when available. When official weights are available at the shipping station, the shipping certificates are considered a minimum/maximum quantity with overfills/underfills settled by mutual agreement. When official weights as loaded into the barge are not available, it is the responsibility of the taker to obtain official weights at the destination. Any other governing weights and methods of obtaining weights and any such other information on the weighing process must be mutually accepted by the maker and taker of delivery before the barge is loaded. When the official weight becomes known for a barge, overfills and underfills will be settled on the market value, expressed as a basis, for grain FOB barge at the barge loading station on the day that the grain is loaded. Before the barge is loaded, the taker and maker of delivery will agree on a basis over or under the nearby futures that overfills and underfills will be settled on. On the day that the weight tolerance becomes known to both parties, the flat price settlement will be established by applying the basis to the nearby futures month settlement price on the day of unloading or the day of loading if origin weights are used. If the day of unloading

is the last trading day in the nearby futures month, the next following futures month will be used for settlement. If the day of unload is not a business day, the next following business day will be used to establish the flat price. In order to convert the agreed upon basis on the day that the grain was loaded to a basis relative to the current nearby futures month, the futures spread on the day of loading will be used, provided that, the nearby futures did not close outside of the price limits set for all other futures months. In this case, the spread on the first following business day that the nearby futures closed within the price limits applicable for all other futures months would be used.

- 5) The shipper shall not be required to meet his minimum daily barge load-out rate when transportation has not been actually placed at the shipping station, transportation equipment is not clean and load ready, inspection services are not available, or inclement weather, including severe ice conditions, prevents loading. However, the exceptions to load-out requirements shall not include corn or soybeans that have not made grade. If precluded from loading when equipment is available, the shipper shall notify the owner by 10:00 a.m. the following business day. Notification shall be by telephone, e-mail or fax to the owner.
- 6) For Illinois Waterway barge loading at Burns Harbor, Regulation 1081.01(13)(A).(a) pertaining to the protection of the Chicago barge rate and inclement weather will apply.
- 7) Any expense for making the grain available for loading on the Illinois Waterway will be borne by the party making delivery, provided that the taker of delivery constructively places barge equipment clean and ready to load within five (5) business days following the scheduled loading date of the barge on the Illinois Waterway. If the taker's barges are not constructively placed within five (5) business days following the scheduled loading date of the barge on the Illinois Waterway, the taker shall pay the shipper an amount not to exceed 30/100 of one cent per bushel per day multiplied by the number of calendar days from the fifth business day following the scheduled loading date to the date that the barge is constructively placed, including both dates, but excluding business days the shipper meets his minimum daily barge load-out rate. Requests to cancel loading instructions and reissue [REDACTED] shipping certificates more than two business days after [REDACTED] shipping certificates are cancelled are subject to mutual agreement. All fees for re-issuance are payable by the owner.
- 8) The shipper shall load water conveyance at the shipping station designated in the Shipping Certificate. If it becomes impossible to load at the designated shipping station for three (3) consecutive business days because of an Act of God, fire, flood, wind, explosion, war, embargo, civil commotion, sabotage, law, act of government, labor difficulties or other condition of force majeure, the shipper will arrange for water conveyance to be loaded at another regular shipping station in conformance with the Shipping Certificate and will compensate the owner for any transportation loss resulting from the change in the location of the shipping station. If the aforementioned condition of impossibility prevails at a majority of regular shipping stations, then shipment may be delayed for the number of days that such impossibility prevails at a majority of regular shipping stations. If conditions covered in this regulation make

it impossible to load at the designated shipping station, the shipper shall notify the Registrar's Office in writing of such condition within 24 hours of when the condition of impossibility began.

9) See Regulation C1081.01(12)G(9)-Regularity of Warehouses and Issuers of Shipping Certificates for Corn futures contracts. See Regulation S1081.01(12)G(9)-Regularity of Warehouses and Issuers of Shipping Certificates for Soybean futures contracts.

10) In the event less than eleven shipping certificates of a like grade/quality are outstanding at a shipping station the owner of all such outstanding shipping certificates may cancel the shipping certificates and obligate the shipper to provide a market value at which the shipper will either buy back all the canceled shipping certificates or sell the balance of Corn or Soybeans of a like grade/quality to complete a barge loading of at least 55,000 bushels, the choice being at the discretion of the taker of delivery.

13) Location.

A. Corn. See Regulation C1081.01(13)-Location for Corn futures contracts.

No such warehouse or shipping station within the Chicago Switching District shall be declared regular unless it is conveniently approachable by vessels of ordinary draft and has customary shipping facilities. Ordinary draft shall be defined as the lesser of (1) channel draft as recorded in the Lake Calumet Harbor Draft Gauge, as maintained by the Corps of Engineers, U.S. Army, minus one (1) foot, or (2) 20 feet.

Delivery in Burns Harbor must be made "in store" in regular elevators or by shipping certificate at regular shipping stations providing water loading facilities and maintaining water depth equal to normal seaway draft of 27 feet.

In addition, deliveries of grain may be made in regular elevators or shipping stations within the Burns Harbor Switching District PROVIDED that:

(a) When grain represented by [REDACTED] shipping certificates is ordered out for shipment by a barge, it will be the obligation of the party making delivery to protect the barge freight rate from the Chicago Switching District (i.e. the party making delivery and located in the Burns Harbor Switching District will pay the party taking delivery an amount equal to all expenses for the movement of the barge from the Chicago Switching District, to the Burns Harbor Switching District and the return movement back to the Chicago Switching District).

If inclement weather conditions make the warehouse or shipping station located in the Burns Harbor Switching District unavailable for barge loadings for a period of five or more calendar days, the party making delivery will make grain available on the day following this five calendar day period to load into a barge at one mutually agreeable water warehouse or shipping station located in the Chicago Switching District; PROVIDED that the party making delivery is notified on the first day of that five-day period of inclement weather that the barge is available for movement but cannot be moved from the Chicago Switching District to the Burns Harbor Switching District, and is

requested on the last day of this five day calendar period in which the barge cannot be moved.

- (b) When grain represented by [REDACTED] shipping certificates is ordered out for shipment by vessel, and the party taking delivery is a recipient of a split delivery of grain between a warehouse or shipping station located in Burns Harbor and a warehouse or shipping station in Chicago, and the grain in the Chicago warehouse or shipping station will be loaded onto this vessel; it will be the obligation of the party making delivery at the request of the party taking delivery to protect the holder of the [REDACTED] shipping certificates against any additional charges resulting from loading at one berth in the Burns Harbor Switching District and at one berth in the Chicago Switching District as compared to a single berth loading at one location. The party making delivery, at his option, will either make the grain available at one water warehouse or shipping station operated by the party making delivery and located in the Chicago Switching District for loading onto the vessel, make grain available at the warehouse in Burns Harbor upon the surrender of [REDACTED] shipping certificates issued by other regular elevators or shipping stations located in the Chicago Switching District at the time vessel loading orders are issued, or compensate the party taking delivery in an amount equal to all applicable expenses, including demurrage charges, if any, for the movement of the vessel between a berth in the other switching district. On the day that the grain is ordered out for shipment by vessel, the party making delivery will declare the regular warehouse or shipping station in which the grain will be available for loading.

See Regulation C1081.01(13)-Location for Corn futures contracts.

- B. Oats. For the delivery of oats, regular warehouses may be located within the Chicago Switching District or within the Burns Harbor, Indiana Switching District (subject to the provisions of paragraph A above) or within the Minneapolis, Minnesota or St. Paul, Minnesota Switching Districts [REDACTED].

Delivery in the Minneapolis or St. Paul Switching District must be made [REDACTED] in regular [REDACTED] [REDACTED] providing barge-loading facilities and maintaining water depth equal to the average draft of the current barge loadings in the Minneapolis and St. Paul barge-loading districts.

However, deliveries of oats may be made in interior off-water [REDACTED] [REDACTED] within the Minneapolis or St. Paul Switching District, PROVIDED that the party making delivery makes the oats available upon call within seven calendar days to load into a barge at one river location in the Minneapolis or St. Paul barge-loading district. The party making delivery must declare, within one business day after receiving [REDACTED] [REDACTED] and loading orders, the river location at which the oats will be made available. Any additional expense incurred to move delivery oats from an off-water [REDACTED] [REDACTED] into barges shall be borne by the party making delivery; PROVIDED that the party taking delivery presents barge equipment clean and ready to load within fifteen calendar days from the time [REDACTED] [REDACTED] and loading orders are tendered to the delivering party.

[REDACTED]

██████████ shipping certificate deliveries in Chicago, Illinois. Delivery shall be flat.

B. Oats (Minneapolis, St. Paul delivery).

- 1) When oats represented by ██████████ delivered in Minneapolis or St. Paul are ordered out for shipment by rail, it shall be the obligation of seller to furnish, no later than when cars are placed or constructively placed at the ██████████, to the party taking delivery, inbound Freight Bills (rail tonnage or order equivalent truck or barge tonnage) protecting the applicable proportional rate applicable to Chicago from the ██████████ in which the grain is located. The Freight Bills shall be for the kind and quantity of the commodity designated by the ██████████ and must permit such commodity to be shipped at the minimum proportional rate applicable to Chicago effective as of the date of shipment from point of origin shown by the Freight Bill.
 - a) Delivery at Minneapolis. When delivery is made at a ██████████ within the Minneapolis Switching District, such Freight Bills must permit one further free transit stop at interior transit points or be accompanied by a check to cover one such transit stop.
 - b) Delivery at St. Paul. When delivery is made at a ██████████ within the St. Paul Switching District, such Freight Bills must permit one further free transit stop at interior transit points, or be accompanied by a check to cover such transit stop, and in addition must also permit movement to industries within the switching limits of Minneapolis at no greater cost than the maximum switching charges between industries located within the switching limits of Minneapolis.
- 2) In lieu of the Freight Bills or order equivalent tonnage specified above, seller may furnish to the party taking delivery "short-rate" Freight Bills or make compensation as specified in Section (b).
 - a) "Short-rate" Freight Bills (which otherwise conform to the requirements of this Regulation). "Short-rate" Freight Bills shall be accompanied by a certified check, or other acceptable payment, in an amount equal to the difference between the freight charges which would be incurred in shipping the quantity of the commodity from Minneapolis to Chicago (based on the proportional rate applicable in connection with such "short-rate" Freight Bills) and the freight charges for such shipment based on the minimum proportional tariff rate applicable in connection with Freight Bills other than "short-rate" Freight Bills showing shipment from points of origin as of the same date as the "short-rate" Freight Bills furnished.
 - b) Compensation in Lieu of Freight Bills or order equivalent tonnage. A certified check or other acceptable payment may be substituted for Freight Bills provided it is in an amount equal to the difference between the freight charges which would be incurred in shipping the commodity from Minneapolis to Chicago based on the flat tariff rate effective as of the date of loading for rail shipment and the charges for such shipment based on the minimum proportional tariff rate effective as of the same date.

- 3) Due Bills issued by the Western Weighing and Inspection Bureau may be used when necessary in lieu of Freight Bills that conform to the provisions of this Regulation. Such Due Bills may be surrendered by the seller to the party loading out delivery grain by rail when such Freight Bills are not yet available because of the unloading of the commodity into an elevator during the last few days of the delivery month or on the delivery of "Track" grain. Such Due Bills shall specify the date, origin and rate of the Freight Bills in lieu of which they are issued and shall be completely filled out except for the signature.
- 4) The term Freight Bills as used in this Regulation means the recorded inbound paid Freight Bills, authorized duplicates thereof, or tonnage credit slips, conforming to the rules and regulations of Western Trunk Line Tariff No. 331-Z, Fred Ofcky, Agent, ICC No. A-4774, amendments thereto or reissues thereof.
- C. Wheat (Toledo and St. Louis delivery). The ~~[warehouseman]~~ shipper is not required to furnish transit billing on wheat represented by ~~[warehouse receipts]~~ shipping certificates delivery in Toledo, Ohio, St. Louis, Missouri, East St. Louis, Illinois, or Alton, Illinois. Delivery shall be flat.
- D. Corn See Regulation C1081.01(14)-Billing for Corn futures contracts.
- E. Soybeans See Regulation S1081.01(14)-Billing for Soybean futures contracts.
- F. Wheat, Corn, Soybeans and Oats (Burns Harbor Delivery). When grain represented by ~~_____~~ shipping certificates delivered in Burns Harbor is ordered out for shipment by rail, it will be the obligation of the party making delivery to protect the Chicago rail rate, if lower, which would apply to the owner's destination had a like kind and quantity of grain designated on ~~_____~~ shipping certificates been loaded out and shipped from a regular warehouse/shipping station located in the Chicago Switching District. If grain is loaded out and shipped to an industry in the Chicago Switching District, the party making delivery will protect the minimum, crosstown switch charge in the Chicago Switching District.

When rail loading orders are submitted, the party taking delivery shall state in writing if he elects to receive the applicable rail rates from Burns Harbor or Chicago. If the party taking delivery specifies Burns Harbor, the party making delivery will load rail cars at the Burns Harbor warehouse/shipping station and will not be required to protect the Chicago rates. If the party taking delivery specifies Chicago rates, the party making delivery will declare on the day that the grain is ordered out for shipment by rail, the warehouse/shipping station at which the grain will be made available, which is operated by the party making delivery and is located either in the Burns Harbor or the Chicago Switching Districts. If the declared warehouse/shipping station is located in the Chicago Switching District, the party making delivery will provide only that billing specified in Regulation 1081.01(14)A.

However, if the declared warehouse/shipping station is located in Burns Harbor and the rail rate from Chicago or the minimum Chicago crosstown switch charge requires protection, the party making delivery will compensate the party taking delivery. The compensation shall be in an amount equivalent to the difference of the freight charges from Burns Harbor and the freight charges which would be applicable had the grain been

loaded at and shipped from a warehouse/shipping station located in the Chicago Switching District to the owner's destination.

- 15) Persons operating regular warehouses or shipping stations shall be subject to the Exchange's Rules and Regulations pertaining to arbitration procedures, as set forth in Chapter 6, and, with respect to compliance with Rules and Regulations pertaining to a warehouse's or shipper's regularity, shall be subject to the Exchange's Rules and Regulations pertaining to disciplinary procedures, as set forth in Chapter 5.
- 16) Persons operating regular warehouses or shipping stations shall consent to the disciplinary jurisdiction of the Exchange for five years after such regularity lapses, for conduct pertaining to regularity which occurred while the warehouse or shipping station was regular.
- 17) The Exchange may determine not to approve warehouses or shipping stations for regularity or increases in regular capacity of existing regular warehouses or shipping stations, in its sole discretion, regardless of whether such warehouses or shipping stations meet the preceding requirements and conditions. Some factors that the Exchange may, but is not required to, consider in exercising its discretion may include, among others, whether [REDACTED] shipping certificates issued by such warehouses or shipping stations, if tendered in satisfaction of futures contracts, might be expected to adversely affect the price discovery function of futures contracts or impair the efficacy of futures trading in the relevant market, or whether the currently approved regular capacity provides for an adequate deliverable supply.

1081.01A Inspection - Chicago Elevators - Any Grain Warehouses in Chicago, regular for the delivery of grain under the Rules and Regulations of the Exchange, shall require inbound and outbound inspections as mandated by the U.S. Grain Standards Act and/or the U.S. Warehouse Act.

Nothing herein shall negate the rights of persons shipping grain into or out of such Warehouses to request and obtain on such grain official sample lot inspections as defined in the U.S. Grain Standards Act, and such inspections or any appeal therefrom, shall be the settlement grade.

When grain is delivered in satisfaction of [REDACTED] shipping certificate, [REDACTED] the holder of the [REDACTED] shipping certificates shall be entitled to an official sample lot inspection as defined in the U.S. Grain Standards Act unless otherwise agreed.

1083.01 Excess or Deficiency in Quantity - In the load-out of grain from an elevator or warehouse/shipping station, the quantity of gross grain covered by the [REDACTED] shipping certificate shall be loaded out, and any excess or deficiency between the quantity of net grain loaded out and the quantity of net grain covered by the [REDACTED] shipping certificate shall be paid for to or by (as the case may be) the elevator or warehouse/shipping station proprietor or manager at the average market price on the day of load-out: the buyer to pay [REDACTED] premium on the net weight covered by the [REDACTED] shipping certificate. In the event that in the final out-turn there is a shortage in the gross quantity called for in the [REDACTED] certificate, the net quantity of grain required by the [REDACTED] certificate shall be the factor in settlement, and any variation therefrom in the net amount of grain loaded out against the [REDACTED] certificate shall be paid for by the elevator or warehouse/shipping station proprietor or manager to the owner of the [REDACTED] certificate at

the average market price on the day of load-out. In the load-out of grain the gross quantity of grain, which includes dockage shall not exceed the net quantity by more than one percent.

1084.01 Revocation, Expiration or Withdrawal of Regularity - Any regular warehouse or shipper may be declared by the Business Conduct Committee, or pursuant to Regulation 540.10, the Hearing Committee to be irregular at any time if it does not comply with the conditions above set forth. If the designation of a warehouse or shipper as regular shall be revoked, a notice shall be posted on the bulletin board announcing such revocation and also the period of time, if any, during which the [REDACTED] certificates issued by such [REDACTED] house or shipper shall thereafter be deliverable in satisfaction of futures contracts under the Rules and Regulations.

In the event of revocation, expiration or withdrawal of regularity, or in the event of sale or abandonment of the properties where regularity is not reissued, holders of outstanding [REDACTED] shipping certificates [REDACTED] shall be given thirty days to take load-out of the commodity from the facility. If a holder of an outstanding [REDACTED] shipping certificate chooses not to take load-out during this period, the facility must provide him with another [REDACTED] shipping certificate at another, mutually acceptable regular warehouse or shipping station, with adjustments for differences in contract differentials. Alternatively, if such [REDACTED] shipping certificate is unavailable, the facility must provide the holder with an equivalent quantity and quality of the grain designated in the [REDACTED] shipping certificate at a mutually acceptable location.

1085.01 Application for Declaration of Regularity - All applications by operators of warehouses for a declaration of regularity under Regulation 1081.01 shall be on the following form:

WAREHOUSEMAN'S APPLICATION FOR A DECLARATION OF REGULARITY FOR CONTRACTS FOR FUTURE DELIVERY UNDER THE RULES AND REGULATIONS OF THE BOARD OF TRADE OF THE CITY OF CHICAGO, INC. FOR THE DELIVERY

OF _____

(List Wheat, Oats or both)

Date
BOARD OF TRADE OF THE CITY OF CHICAGO, INC
Chicago, Illinois

(hereinafter called the "Warehouseman") owner/lessee*
(Warehouseman Name) (Circle one)

of a warehouse located at _____ hereby
(Address, City, State, Zip)
submits this application to the Board of Trade of the City of Chicago, Inc. (hereinafter called

"Exchange") for a Declaration of Regularity to issue [REDACTED] **Shipping Certificates** for delivery of _____ upon contracts for future delivery for a period

(List Wheat, Oats, or both)

beginning on July 1, 20__ and ending Midnight June 30, 20__.

The Warehouseman has a storage capacity of _____ bushels of grain. If multiple warehouses exist at the location listed above, please indicate the name of the elevator.

Name of Elevator: _____.

*Please include a copy of the lease or service agreement with application.

Conditions of Regularity

A declaration of regularity, if granted, may be revoked by the Exchange whenever the following conditions, or any other applicable conditions specified in Regulation 1081.01, or any other relevant Rules and Regulations are not observed:

1. The Warehouseman must:

- 1) submit bonds or letters of credit to the Exchange as it may require.
- 2) submit to the Exchange a tariff listing in detail the rates for the handling and storage of grain; submit promptly to the Exchange all changes in such tariff; and publish and display such tariff. The maximum **premium** [REDACTED] rates on Wheat and Oats shall not exceed the [REDACTED] [REDACTED] rates defined in Regulation 1056.01. The maximum load-out charge shall not exceed the load-out charge defined in Regulation 1081.01(11).

3) [REDACTED] ~~Wheat and/or~~ [REDACTED]

[REDACTED] notify the Exchange immediately of any change in its capital ownership, or any reduction in net worth of 20 percent or more from the level reported in the last financial statement filed with the Exchange, or of any change in the physical condition of the warehouse.

[REDACTED] make such reports, keep such records, and permit such warehouse visitation as the Exchange or the Commodity Futures Trading Commission (CFTC) may require; and comply with all applicable Rules and Regulations of the Exchange and the CFTC.

[REDACTED] insure against the contingencies provided for in a standard "All Risks" policy (including earthquake), in such amounts as required by the Exchange.

[REDACTED] submit an application for renewal of a declaration of regularity in writing on or before May 1st every even year.

[REDACTED] if the Warehouseman leases the warehouse or has entered into some form of service agreement pursuant to which an agent or contractor performs the daily operations of the

warehouse, Warehouseman remains responsible for compliance with all duties and conditions of regularity and shall be responsible for the conduct of its agents or contractors.

2. The Warehouse must be:
 1. subject to the prescribed examination and approval of the Exchange.
 2. Equipped with standard equipment and appliances for the convenient and expeditious handling of grains in bulk.
3. The Warehouse and Warehouseman must conform to the requirements of the Exchange as to location, accessibility and suitability as may be prescribed by the Rules and Regulations of the Exchange.

AGREEMENTS OF WAREHOUSEMAN

The Warehouseman expressly agrees:

- 1) that all grain tendered in satisfaction of futures contracts shall be weighed by an Official Weigher. An Official Weigher shall be a person or agency approved by the Exchange.
- 2) that all [REDACTED] shipping certificates to be tendered in satisfaction of futures contracts will be registered with the Registrar of the Exchange.
- 3) to abide by all of the Rules and Regulations of the Exchange relating to the warehousing of commodities deliverable in satisfaction of futures contracts and the delivery thereof, including the duties set forth in Regulation 1081.01, as applicable.
- 4) to designate a clearing agent in Chicago authorized to act upon the Warehouseman's behalf in matters pertaining to [REDACTED] [REDACTED].
- 5) that the Exchange may revoke the Warehouseman's declaration of regularity, if granted, for any breach of these agreements.
- 6) that the signing of this application constitutes a representation that the conditions of regularity are complied with and will be observed during the life of the declaration of regularity and, if found to be untrue, the Exchange shall have the right to revoke the declaration of regularity immediately.
- 7) to be subject to the Exchange's Rules and Regulations, the disciplinary procedures set forth in Chapter 5, and the arbitration procedures set forth in Chapter 6, and to abide by and comply with the terms of any disciplinary decision imposed upon the Warehouseman or any arbitration award issued against it pursuant to the Exchange's Rules and Regulations.
- 8) to consent to the disciplinary jurisdiction of the Exchange for five years after regularity lapses for conduct which occurred while the Warehouseman was regular.

Please be advised that, pursuant to Regulation 1081.01 (17), the Exchange may determine not to approve warehouses for regularity or increases in regular capacity of existing regular

warehouses, in its sole discretion, regardless of whether such warehouses meet the conditions of regularity specified in Regulation 1081.01. Some factors the Exchange may, but is not required to, consider in exercising its discretion may include, among others, whether [REDACTED] **shipping certificates** issued by such warehouses, if tendered in satisfaction of futures contracts, might be expected to adversely affect the price discovery function of the Wheat or Oats futures contracts or impair the efficacy of futures trading in Wheat or Oats, or whether the currently approved regular capacity provides for an adequate deliverable supply

(Name)

(Title)

(Date)

Appendix 10G

APPENDIX 10G - GRAIN LOAD-OUT PROCEDURES

The following is a general outline of procedures for the load-out of grain covered by Chicago Board of Trade ("CBOT") registered warehouse receipts/shipping certificates. The procedures are based upon a combination of CBOT rules and regulations and trade practice. Where applicable, CBOT rules and regulations are cited.

1. Cancellation of the Warehouse Receipt/Shipping Certificate.
 - a. To initiate the load-out process, the receipt/certificate holder, or owner, requests his clearing firm to cancel the warehouse receipt/shipping certificate at the CBOT Registrar's Office or requests load-out using the electronic form provided by the Clearing House's online system.
 - b. Warehouse receipts/shipping certificates cancelled after 4:00 p.m. shall be deemed to be cancelled on the following business day.
 - c. The next step for the owner of cancelled rice[;] [REDACTED] [~~or wheat~~] warehouse receipts is to surrender them to the regular warehouseman or his representative agent in Chicago. The agent must be a registered clearing member of the CBOT, be located in the vicinity of the CBOT and be available during business hours (except Exchange holidays). Business hours are 8:00 a.m. - 4:30 p.m., Monday - Thursday and 8:00 a.m. - 3:00 p.m. on Friday.
 - d. At this time, the warehouseman/shipper, at his option, may require the owner to pay storage/premium and insurance charges that have accumulated up to and including the date of surrender. (See items 6(a) and (b) below.) The warehouseman's/shipper's agent shall accept these payments during business hours.

- e. At this time, the warehouseman, at his option, may also require the owner to pay the warehouseman or his agent a load-out fee of up to 6 cents per bushel. A fobbing charge of 4 cents per bushel was already paid at the time of delivery of corn and soybean shipping certificates. (The maximum load-out/fobbing fee, subject to change, is 6 cents per bushel for receipts and wheat certificates and 4 cents per bushel for corn and soybean certificates.)
- f. If the owner decides against loading out grain within two days after canceling warehouse receipts/shipping certificates, he may notify the warehouseman/shipper that warehouse receipts/shipping certificates are to be re-issued. In the case of rice[,] [REDACTED] [or wheat], if the warehouseman is notified by 12:00 noon, re-issued receipts shall be deliverable by 4:00 p.m. the following business day. Requests to re-issue receipts/shipping certificates more than two business days after receipts/shipping certificates are cancelled are subject to mutual agreement. All fees for re-issuance are payable by the owner.
- g. The Registrar bills the owner's clearing firm a cancellation fee per receipt/certificate. (Internal policy of CBOT's Registrar's Office.)

2. Submission of Written Loading Orders.

- a. The owner provides the warehouseman/shipper with written loading orders that identify the vessel, barge, or number of rail cars that will take delivery of the grain, and that specify the grade and estimated number of bushels to be loaded. "To be nominated" (TBN) barge identities are acceptable in loading orders.
- b. Written loading orders must be received no later than two business days after warehouse receipts/shipping certificates are cancelled.
- c. The owner will notify the warehouseman/shipper of loading orders. All loading orders received by 2:00 p.m. on a given business days shall be considered dated that day. Orders received after 2:00 p.m. on a business day shall be considered dated the following business day.
- d. When loading orders are received by 2:00 p.m. of any given business day, the warehouseman/shipper will advise the owner by 10:00 a.m. the following business day of the scheduled loading dates and tonnage due. Notification of scheduled loading dates and any changes in scheduled loading dates will be by telephone, e-mail or telefax to the owner.

3. Arrangement of Transportation Conveyance.

- a. Next, the owner arranges for proper conveyance of the grain to be loaded out with a carrier; the conveyance may be rail cars, barge, or vessel, and must be clean and ready-to-load.
- b. An owner requesting vessel load-out, having surrendered canceled receipts/certificates and tendered written loading orders to the warehouseman/shipper, is entitled to the warehouse's/shipper's current scheduled load-in and load-out lineups, provided the owner gives to the warehouseman/shipper the identity of the vessel and

the estimated-time-of-arrival no more than 5 calendar days prior to constructive placement of the vessel. In addition, an owner is entitled to receive updated information, upon request, on the warehouse/shipping station scheduled load-in and load-out lineups.

- c. The carrier or its agent notifies the warehouseman/shipper of the "constructive placement" of the conveyance. The term "constructive placement" is defined in CBOT Regulations 1081.01(12)A.3 (1), (2) and (3). Only the warehouseman/shipper can order the conveyance to the warehouse/shipping station for actual placement for loading.
- d. The warehouseman/shipper is not responsible for the failure of the carrier to present clean, ready-to-load conveyance to the warehouseman/shipper.

4. Request for Grain Inspection or Stevedoring Service.

- a. The owner may, at his option and expense, request the warehouseman/shipper to arrange inspection and weighing service provided by the Federal Grain Inspection Service ("FGIS").
- b. In case of water load-out (barge or vessel), the owner should request the warehouseman/shipper to arrange stevedoring service. In this regard, the owner may designate to the warehouseman/shipper the stevedoring service he would like to use.
- c. The warehouseman/shipper does not control the availability of the FGIS and the stevedoring services.

5. Actual Load-Out.

- a. The warehouseman/shipper shall transmit to the Registrar by 11:00 a.m. the name, location of warehouse/shipping facility, and number of delivery vessels/barges/rail cars constructively placed that day. The Registrar shall maintain a current record of the number of delivery vessels/barges/rail cars constructively placed and shall be responsible for posting this record on the Exchange Floor and the CBOT website.
- b. The warehouseman/shipper must load-out all conveyances in the order of their constructive placement. Load-out of transportation constructively placed on the same day shall be in the order in which loading orders were received. An operator of a regular facility in Chicago, Burns Harbor, along the Illinois Waterway, ██████████ and St. Louis has the obligation of loading grain represented by warehouse receipts or shipping certificates giving preference to takers of delivery.
- c. The warehouseman/shipper informs the owner of the time of loading completion and the release time of the conveyance to the carrier.
- d. The warehouseman/shipper must advise the owner of any load-out difficulties. Inclement weather may delay loading.
- e. The owner should be familiar with the tariff of the warehouse/shipping station where the load-out is to occur.

- f. Any expense for making the grain available for loading on the Illinois Waterway will be borne by the party making delivery, provided that the taker of delivery constructively places barge equipment clean and ready to load within five (5) business days following the scheduled loading date of the barge on the Illinois Waterway. If the taker's barges are not constructively placed within five (5) business days following the scheduled loading date of the barge on the Illinois Waterway, the taker shall pay the shipper an amount not to exceed 30/100 of one cent per bushel per day multiplied by the number of calendar days from the fifth business day following the scheduled loading date to the date that the barge is constructively placed, including both dates, but excluding business days the shipper meets his minimum daily barge load-out rate. Requests to cancel loading instructions and re-issue receipts/shipping certificates more than two business days after receipts/shipping certificates are cancelled are subject to mutual agreement. All fees for re-issuance are payable by the owner.

6. Final Settlement of All Charges By Invoice

- a. The owner pays the warehouseman/shipper storage/premium charges that have accumulated up to and including the 10th business day after constructive placement of the conveyance or the date of loading completion, whichever is earlier, for wheat and oats, or up to and including the date of loading for corn and soybeans. If the owner paid storage/premium charges when he surrendered the cancelled warehouse receipt/shipping certificate he now pays storage/premium charges that have accumulated since that time as invoiced.
- b. The owner pays the warehouseman/shipper for the FGIS service and the stevedoring company for stevedoring service as invoiced. The owner is responsible for charges incurred for stevedoring service, except, all fees for stevedoring services to load corn and soybeans into barges are to be paid by the issuer of the Corn or Soybean Shipping Certificate.
- c. With some exceptions for Burns Harbor delivery, the owner pays all transportation costs, including switching charges and demurrage, if any, to the appropriate transportation company.

*/ The outline provided above is intended to serve only as a general guide to grain load-out procedures; certain of the discussed obligations of the warehouseman/shipper and owners may not apply in a particular situation or may be open to negotiation between the parties. Care has been taken in the preparation of this outline, but there is no warranty or representation expressed or implied by the Chicago Board of Trade or its member firms as to the accuracy or completeness of the material herein. In particular, CBOT rules and regulations may be revised from time to time. Accordingly, current rules and regulations, if applicable, should be consulted when there is a question about load-out. Please be advised that the U.S. Warehouse Act, as amended, or a state law may also apply to, or govern, a particular situation. If you have legal questions concerning load-out, we recommend that you consult your legal counsel.

APPENDIX 10I - LETTER OF CREDIT STANDARDS (For Corn, Wheat, ██████ Soybeans, South American Soybeans and Ethanol 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 the 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. (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-
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.