

SUBMISSION COVER SHEET

IMPORTANT: Check box if Confidential Treatment is requested

Registered Entity Identifier Code (optional): 23-487

Organization: The Board of Trade of the City of Chicago, Inc. ("CBOT")

Filing as a: DCM SEF DCO SDR

Please note - only ONE choice allowed.

Filing Date (mm/dd/yy): 12/04/23 Filing Description: Delisting of all Eris Bloomberg Short-Term Bank Yield Index (BSBY) Swap Futures Contracts

SPECIFY FILING TYPE

Please note only ONE choice allowed per Submission.

Organization Rules and Rule Amendments

- Certification § 40.6(a)
- Approval § 40.5(a)
- Notification § 40.6(d)
- Advance Notice of SIDCO Rule Change § 40.10(a)
- SIDCO Emergency Rule Change § 40.10(h)

Rule Numbers:

New Product

Please note only ONE product per Submission.

- Certification § 40.2(a)
- Certification Security Futures § 41.23(a)
- Certification Swap Class § 40.2(d)
- Approval § 40.3(a)
- Approval Security Futures § 41.23(b)
- Novel Derivative Product Notification § 40.12(a)
- Swap Submission § 39.5

Product Terms and Conditions (product related Rules and Rule Amendments)

- Certification § 40.6(a)
- Certification Made Available to Trade Determination § 40.6(a)
- Certification Security Futures § 41.24(a)
- Delisting (No Open Interest) § 40.6(a)
- Approval § 40.5(a)
- Approval Made Available to Trade Determination § 40.5(a)
- Approval Security Futures § 41.24(c)
- Approval Amendments to enumerated agricultural products § 40.4(a), § 40.5(a)
- "Non-Material Agricultural Rule Change" § 40.4(b)(5)
- Notification § 40.6(d)

Official Name(s) of Product(s) Affected: See filing.

Rule Numbers: See filing.

December 4, 2023

VIA ELECTRONIC PORTAL

Mr. Christopher J. Kirkpatrick
Office of the Secretariat
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, N.W.
Washington, D.C. 20581

**Re: CFTC Regulation 40.6(a) Certification. Delisting of all Eris Bloomberg Short-Term Bank Yield Index (BSBY) Swap Futures Contracts
CBOT Submission No. 23-487**

Dear Mr. Kirkpatrick:

The Board of Trade of the City of Chicago, Inc. (“CBOT” or “Exchange”) certifies to the Commodity Futures Trading Commission (“CFTC” or “Commission”) the delisting all Eris Bloomberg Short-Term Bank Yield Index (BSBY) Swap Futures contracts noted in Table 1. below (the “Contracts”) effective immediately. There is no open interest in the Contracts.

Table 1.

Contract Title	CME Globex and CME ClearPort Code	CBOT Rulebook Chapter
1-Year Eris Bloomberg Short Term Bank Yield Index (BSBY) Swap Futures	KXA	64
2-Year Eris Bloomberg Short Term Bank Yield Index (BSBY) Swap Futures	KXT	64
3-Year Eris Bloomberg Short Term Bank Yield Index (BSBY) Swap Futures	KXC	64
4-Year Eris Bloomberg Short Term Bank Yield Index (BSBY) Swap Futures	KXD	64
5-Year Eris Bloomberg Short Term Bank Yield Index (BSBY) Swap Futures	KXW	64
7-Year Eris Bloomberg Short Term Bank Yield Index (BSBY) Swap Futures	KXB	64
10-Year Eris Bloomberg Short Term Bank Yield Index (BSBY) Swap Futures	KXY	64

CBOT has delisted the Contracts as a result of upcoming cessation of the BSBY index.¹

Exhibit A provides amendments to CBOT Rulebook Chapter 64 in blackline format.

As a result of the delisting, information regarding the Contracts will be deleted from CBOT Rulebook Chapter 64, related position limits in the Position Limit, Position Accountability and Reportable Level Table located in the Interpretations and Special Notices Section of Chapter 5 (“Trading Qualifications and Practices”) of the CBOT Rulebook, the CME Globex non-reviewable trading ranges located in Rule 588.H. of the CBOT Rulebook, and the CME Group website. The Table is attached under separate cover, in blackline format, as Exhibit B.

¹ On November 15, 2023 Bloomberg L.P. [announced](#) that the cessation of the BSBY index will occur on November 15, 2024

The Exchange reviewed the designated contract market core principles (“Core Principles”) as set forth in the Commodity Exchange Act (“CEA” or “Act”) and identified that the following Core Principles may be impacted by this initiative as follows:

- **Emergency Authority**: There is no open interest in the Contracts, and therefore there will be no market disruption related to the delisting.
- **Availability of General Information**: The Exchange will make publicly available the details of the delisting by publishing a Special Executive Report (“SER”) to the marketplace. The SER will be available on CME Group’s website.

Pursuant to Section 5c(c) of the Act and CFTC Regulation 40.6(a), the Exchange hereby certifies that the delisting of the Contracts complies with the Act, including regulations under the Act. There were no substantive opposing views to this proposal.

The Exchange certifies that this submission has been concurrently posted on the Exchange’s website at <http://www.cmegroup.com/market-regulation/rule-filings.html>.

Should you have any questions concerning the above, please e-mail CMEGSubmissionInquiry@cmegroup.com or contact the undersigned at (312) 466-7478.

Sincerely,

/s/ Timothy Elliott
Managing Director and Chief Regulatory Counsel

Attachments: Exhibit A - Amendments to CBOT Rulebook Chapter 64 (blackline format)
Exhibit B - Position Limit, Position Accountability, and Reportable Level Table in Chapter 5 of the CBOT Rulebook (attached under separate cover) (blackline format)

Exhibit A

CBOT Rulebook

(deletions struck through)

Chapter 64

Eris Bloomberg Short-Term Bank Yield Index (BSBY) Swap Futures

64100. SCOPE OF CHAPTER

This chapter is limited in application to trading of Eris Bloomberg Short-Term Bank Yield Index (“BSBY”) Swap Futures (“futures” or “contract”). In addition to this chapter, futures shall be subject to the general rules and regulations of the Exchange insofar as applicable.

Unless otherwise specified, times referenced herein shall indicate Chicago time.

64101. CONTRACT SPECIFICATIONS

64101.A Contract Structure

~~\$100,000 (U.S. dollar) notional principal whose value is based upon the difference between a stream of semi-annual fixed interest payments and a stream of quarterly floating interest payments based on 3-month USD BSBY, over a term to maturity.~~

The contract structure is subject to the following contract elections:

- ~~1. Long Futures Position Holder: Fixed Rate Receiver, Floating Rate Payer~~
- ~~2. Short Futures Position Holder: Fixed Rate Payer, Floating Rate Receiver~~
- ~~3. Underlying Swap Tenors: 1 Year, 2 Year, 3 Year, 4 Year, 5 Year, 7 Year, 10 Year~~
- ~~4. Currency: US Dollars~~
- ~~5. Notional Amount: \$100,000~~
- ~~6. Effective Dates: Quarterly IMM Dates (3rd Wednesday of each March, June, September, December)~~
- ~~7. Fixed Rate: Futures contract fixed interest rate set by the Exchange at an integer multiple of 25 basis points (i.e., one quarter of one percent) per annum when such futures contract is initially listed for trading~~
- ~~8. Floating Rate: 3-month USD BSBY~~
- ~~9. Floating Rate Index: BSBY, the Bloomberg Short-Term Bank Yield Index, is administered and published by Bloomberg Index Services Limited (“BISL”)~~
- ~~10. Fixed Rate Leg Reset Frequency: Semi-Annual~~
- ~~11. Fixed Rate Leg Payment Frequency: Semi-Annual~~
- ~~12. Fixed Rate Day Count Convention: 30/360~~
- ~~13. Floating Rate Leg Reset Frequency: Quarterly~~
- ~~14. Floating Rate Leg Payment Frequency: Quarterly~~
- ~~15. Floating Rate Day Count Convention: Actual/360~~
- ~~16. Business Days: US Government Securities Business Days, representing all weekdays excluding any dates identified by the Securities Industry and Financial Markets Association (SIFMA) in its U.S. Holiday Recommendations.~~
- ~~17. Business Day Convention: Modified Following, with adjustment of period end dates~~
- ~~18. Cash Flow Alignment Date (“CFAD”): The date determined by adding the number of Underlying Swap Tenor years to the Effective Date, used for aligning all fixed and floating Reset Dates, and for determination of the Maturity Date.~~
- ~~19. Maturity Date: The final date to which fixed and floating amounts accrue. The last date of the contract. Maturity Date is determined by applying the Modified Following rule to the Cash Flow Alignment Date. Eris Price Alignment Amount (PAA) accrues up to and including the Maturity Date. The Maturity Date may also be referred to as Termination Date.~~
- ~~20. Last Trading Day: Exchange business day immediately preceding Maturity Date~~
- ~~21. Underlying Tenor: The duration of time in years from the Effective Date to the Cash Flow Alignment Date.~~
- ~~22. Remaining Tenor: The duration of time from today to the Cash Flow Alignment Date.~~
- ~~23. Reset Dates: Dates utilized to determine fixed and floating amounts throughout the life of the Contract. Reset Dates define the beginning and end of fixed and floating interest accrual periods.~~

Floating Rate Reset Dates facilitate the determination of the 3-month USD BSBY Fixing Dates. Reset Dates will be the day of the month of Cash Flow Adjustment Date each March, June, September and December, subject to adjustment according to the Business Day Convention (Modified Following).

24. First 3-month USD BSBY Fixing Date: 2 Business Days prior to the Effective Date.

25. Other 3-month USD BSBY Fixing Dates: For all periods other than the first floating rate period, the BSBY Fixing Date is 2 Business Days prior to each Reset Date.

64102. TRADING SPECIFICATIONS

64102.A. Trading Schedule

Contracts shall be scheduled for trading during such hours as may be determined by the Exchange.

64102.B. Trading Unit

The unit of trading shall be contracts that meet Contract Structure (CBOT Rule 64101.A.) having notional amount of one hundred thousand US dollars (\$100,000) or multiples thereof.

64102.C. Price Increments

Par shall be on the basis of 100 points, with each point equal to \$1,000 per contract.

The minimum price fluctuations for each available tenor shall be:

1. 1-Year Eris BSBY Swap Futures
a. 0.0025 of one point, equal to \$2.50 per contract
2. 2-Year Eris BSBY Swap Futures
a. 0.0025 of one point, equal to \$2.50 per contract
3. 3-Year Eris BSBY Swap Futures
a. 0.005 of one point, equal to \$5 per contract
4. 4-Year Eris BSBY Swap Futures
a. 0.010 of one point, equal to \$10 per contract
5. 5-Year Eris BSBY Swap Futures
a. 0.010 of one point, equal to \$10 per contract
6. 7-Year Eris BSBY Swap Futures
a. 0.020 of one point, equal to \$20 per contract
7. 10-Year Eris BSBY Swap Futures
a. 0.020 of one point, equal to \$20 per contract

Contracts shall not be made on any other price basis.

64102.D. Special Price Fluctuation Limits

At the commencement of each trading day, the contract shall be subject to special price fluctuation limits as set forth in Rule 589 and in the Special Price Fluctuation Limits and Daily Price Limits Table in the Interpretations & Special Notices Section of Chapter 5.

64102.E. Position Limits, Exemptions, Position Accountability and Reportable Levels

The applicable position limits and/or accountability levels, in addition to the reportable levels, are set forth in the Position Limit, Position Accountability and Reportable Level Table in the Interpretations & Special Notices Section of Chapter 5.

A Person seeking an exemption from position limits for bona fide commercial purposes shall apply to the Market Regulation Department on forms provided by the Exchange, and the Market Regulation Department may grant qualified exemptions in its sole discretion.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

64102.F. Termination of Trading

Trading in an expiring contract shall terminate at the close of trading on the Business Day immediately preceding the Maturity Date of the contract.

64103. SETTLEMENT PROCEDURES

Delivery shall be by cash settlement.

64103.A. Maturity Date Final Settlement Price

The Final Settlement Price on the Maturity Date of each contract shall be as follows:

$$S_{\text{final}} = 100 + B_{\text{final}} - C_{\text{final}}$$

S_{final} = Settlement price at mMaturity Date

~~B_{final} = Historical Fixed and Floating Rate amounts since contract inception through the Maturity Date (calculated in accordance with the Day Count Convention) C_{final} = Eris PAA, at Maturity Date~~

~~The Exchange and CME Clearing calculate Final Settlement Price to 4 decimals of precision (e.g., 100.1234).~~

~~Eris PAA is the cumulative value calculated daily by applying the secured overnight financing rate (SOFR) dated for the previous settlement date to the contract's NPV of the previous settlement date less the net Fixed and Floating Rate amounts due on the current settlement date, using an Actual/360 day count convention.~~

~~Eris PAA will start accruing on the first trade date.~~

~~**64103.B. Final Settlement**~~

~~Clearing members holding open positions in a contract at the time of termination of trading in such contract shall make payment to or receive payment from the Clearing House in accordance with normal variation performance bond procedures based on a settlement price equal to the final settlement price.~~

~~**64103.C. Daily Settlement Price**~~

~~The Daily Settlement Price shall be as follows:~~

~~$S_t = 100 + A_t + B_t - C_t$~~

~~S_t = Settlement Price at time t~~

~~A_t = Net Present Value (NPV) of the future Fixed and Floating Rate cash flows at time t , discounted on a SOFR curve~~

~~B_t = Value of the historical Fixed and Floating Rate amounts since contract inception through time t (calculated in accordance with the Day Count Convention)~~

~~C_t = Eris Price Alignment Amount (or Eris PAA) at time t~~

~~The Exchange and CME Clearing calculate Daily Settlement Price to 4 decimals of precision (e.g., 100.1234).~~

~~**INTERPRETATIONS AND SPECIAL NOTICES RELATING TO CHAPTER 64**~~

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EXHIBIT B

**CBOT Rulebook
Chapter 5
("Trading Qualifications and Practices")**

Position Limit, Position Accountability, and Reportable Level Table

(attached under separate cover)