

SUBMISSION COVER SHEET

IMPORTANT: Check box if Confidential Treatment is requested

Registered Entity Identifier Code (optional): 19-119

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): 02/26/2019

Filing Description: Increase of Premium Range of Cabinet Trades of the Options on KC HRW Wheat Futures Contract

SPECIFY FILING TYPE

Please note only ONE choice allowed per Submission.

Organization Rules and Rule Amendments

- | | | |
|--------------------------|-------------------------------------|------------|
| <input type="checkbox"/> | Certification | § 40.6(a) |
| <input type="checkbox"/> | Approval | § 40.5(a) |
| <input type="checkbox"/> | Notification | § 40.6(d) |
| <input type="checkbox"/> | Advance Notice of SIDCO Rule Change | § 40.10(a) |
| <input type="checkbox"/> | SIDCO Emergency Rule Change | § 40.10(h) |

Rule Numbers:

New Product

Please note only ONE product per Submission.

- | | | |
|--------------------------|---------------------------------------|------------|
| <input type="checkbox"/> | Certification | § 40.2(a) |
| <input type="checkbox"/> | Certification Security Futures | § 41.23(a) |
| <input type="checkbox"/> | Certification Swap Class | § 40.2(d) |
| <input type="checkbox"/> | Approval | § 40.3(a) |
| <input type="checkbox"/> | Approval Security Futures | § 41.23(b) |
| <input type="checkbox"/> | Novel Derivative Product Notification | § 40.12(a) |
| <input type="checkbox"/> | Swap Submission | § 39.5 |

Official Product Name:

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

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

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

Rule Numbers: See filing.

February 26, 2019

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. Notification Regarding an Increase of Premium Range of Cabinet Trades of the Options on KC HRW Wheat Futures Contract.
CBOT Submission No. 19-119**

Dear Mr. Kirkpatrick:

Pursuant to Commodity Futures Trading Commission (“CFTC” or “Commission”) Regulation 40.6(a), the Board of Trade of the City of Chicago, Inc. (“CBOT” or “Exchange”) hereby notifies the Commission that it is self-certifying amendments to Rule 14L01.C. (“Minimum Fluctuations”) of the Options on KC HRW Wheat Futures contract (the “Contract”) (CBOT Rulebook Chapter: 14L; CME Globex Code: OKE; CME ClearPort Code: KW), effective Sunday, March 17, 2019 for trade date Monday, March 18, 2019.

Specifically, the Exchange will increase the premium range from \$1.00 through \$5.00 to \$1.00 through \$6.00. The increase in the premium range harmonizes the Contract’s cabinet premium ranges with similar CBOT options on grain and oilseed futures. A cabinet trade is a trade executed in a deep out-of-the-money option at a premium value smaller than the standard minimum price increment for such option product. A cabinet transaction may be executed to initiate or to liquidate a position. In this instance, premiums are divided by 5,000 to determine tick size. Amendments to Rule 14L01.C. are provided in Exhibit A in blackline format.

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:

- **Availability of General Information:** The Exchange will amend the CBOT rulebook accordingly which is publicly available on the CME Group website. In addition, the Exchange published a Special Executive Report (“SER”) to advise the marketplace of the amendments.
- **Execution of Transactions:** The Exchange will continue its current practice of providing a competitive, open, and efficient market mechanism for executing transactions.

Pursuant to Section 5c(c) of the Act and CFTC Regulations 40.6(a), the Exchange hereby certifies that the amendments to the Contract comply 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 contact the undersigned at 212-299-2200 or via e-mail at CMEGSubmissionInquiry@cmegroup.com.

Sincerely,

/s/ Christopher Bowen
Managing Director and Chief Regulatory Counsel

Attachment: Exhibit A – Amendments to Chapter 14L (“Options on KC HRW Wheat Futures”)
(blackline format)

Exhibit A

**CBOT Rulebook
Chapter 14L
Options on KC HRW Wheat Futures**

(additions are underscored; deletions are ~~overstruck~~)

14L01. OPTIONS CHARACTERISTICS

* * *

14L01.C. Minimum Fluctuations

Bids and offers for options shall be measured and expressed in increments of one-eighth of one cent ($1/8\phi$) per bushel. However, for options valued at less than one-eighth of one cent ($1/8\phi$), the option premium may range from \$1.00 to ~~\$5.00~~ \$6.00 in \$1.00 increments per option contract.

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