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OFFICE OF THE SECRETARIAT
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July 24, 2009

Mr. David Stawick
Office of the Secretariat
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, NW
Washington, DC 20581

RE: CBOT Submission #09-138 on Closing Times of Expiring CBOT Interest Rate Options on Their Last Trading Day

Dear Mr. Stawick:

The Board of Trade of the City of Chicago, Inc. ("CBOT" or "Exchange") hereby certifies, pursuant to Commission Regulation 40.6 and Section 5c(c)(1) of the Commodity Exchange Act, amendments to Exchange rules governing the trading hours and termination of trading of expiring CBOT interest rate options. The Exchange certifies that these rule amendments do not violate the Act or the Commission's regulations.

In certifying these rule changes, CBOT seeks to modify the closing times of expiring CBOT interest rate options on their last trading day so that they match the closing times of the corresponding CBOT interest rate futures contracts on that trading day. The Exchange intends to implement changes to the following rules for all contract months beginning with the September expiries in U.S. Treasury Bond and Note options and the August expiries in 30-Day Fed Funds and Swap options (see Attachment 1-9):

- CBOT Rules 18A01.D and 18A01.I – U.S. Treasury Bond Options
- CBOT Rules 19A01.D and 19A01.I – 10-Year U.S. Treasury Note Options
- CBOT Rules 20A01.D and 20A01.I – 5-Year U.S. Treasury Note Options
- CBOT Rules 21A01.D and 21A01.I – 2-Year U.S. Treasury Note Options
- CBOT Rules 22A01.D and 22A01.I – 30-Day Fed Funds Options
- CBOT Rules 23A01.D and 23A01.I – 10-Year Interest Rate Swap Options
- CBOT Rules 24A01.D and 24A01.I – 5-Year Interest Rate Swap Options
- CBOT Rules 25A01.D and 25A01.I – 30-Year Interest Rate Swap Options
- CBOT Rules 38A01.D and 38A01.I – 7-Year Interest Rate Swap Options

If you require additional information in support this letter, please contact Daniel Grombacher at (312) 634-1583 or daniel.grombacher@cmegroup.com or contact me at (312) 648-5422. Please reference CBOT Submission #09-138 in any related correspondence.

Sincerely,

Stephen M. Szarmack
Director and Associate General Counsel

Attachments

Attachment 1

Chapter 18A – Standard Options on U.S. Treasury Bond Futures

(Additions are underlined; deletions are ~~struck through~~.)

18A01.D. Trading Hours

The hours of trading for options on U.S. Treasury Bond futures contracts shall be determined by the Exchange. U.S. Treasury Bond futures options shall be opened and closed for all months and strike prices simultaneously or in such other manner as the Exchange shall direct.

On ~~the~~ its last day of trading ~~in an expiring option, an~~ the expiring U.S. Treasury Bond futures options shall cease trading at the same time ~~as~~ of the close of ~~the open outcry trading session for the corresponding futures contract on that trading day.~~

18A01.I. Termination of Trading

Subject to the provisions of Rule 18A01.D., no trades in U.S. Treasury Bond futures options expiring in the current month shall be made after the close of trading ~~of the open outcry trading session~~ for the corresponding U.S. Treasury Bond futures contract on the last Friday which precedes by at least two business days, the last business day of the month preceding the option month. If such Friday is not a business day, or there is a Friday which is not a business day which precedes by one business day the last business day of the month preceding the option month, the last day of trading shall be the business day prior to such Friday.

Attachment 2

Chapter 19A – Standard Options on Long-Term U.S. Treasury Note Futures

(Additions are underlined; deletions are ~~struck through~~.)

19A01.D. Trading Hours

The hours of trading for options on Long-Term U.S. Treasury Note futures shall be determined by the Exchange. Long-Term U.S. Treasury Note futures options shall be opened and closed for all months and strike prices simultaneously or in such other manner as the Exchange shall direct.

On ~~the its~~ last day of trading ~~in an expiring option, an~~ the expiring Long-Term U.S. Treasury Note futures options shall cease trading at the same time as ~~of~~ the close of ~~the open outcry trading session~~ for the corresponding futures contract on that trading day.

19A01.I. Termination of Trading

Subject to the provisions of Rule 19A01.D, no trades in Long-Term U.S. Treasury Note futures options expiring in the current month shall be made after the close of trading ~~of the open outcry trading session~~ for the corresponding Long-Term U.S. Treasury Note futures contract on the last Friday which precedes by at least two business days, the last business day of the month preceding the option month. If such Friday is not a business day, or there is a Friday which is not a business day which precedes by one business day the last business day of the month preceding the option month, the last day of trading shall be the business day prior to such Friday.

Attachment 3

Chapter 20A – Standard Options on Medium-Term U.S. Treasury Note Futures

(Additions are underlined; deletions are ~~struck through~~.)

20A01.D. Trading Hours

The hours of trading for options on Medium-Term U.S. Treasury Note futures contracts shall be determined by the Exchange. Medium-Term U.S. Treasury Note futures options shall be opened and closed for all months and strike prices simultaneously or in such other manner as the Exchange shall direct.

On ~~the its~~ last day of trading in an expiring option, an the expiring Medium-Term U.S. Treasury Note futures options shall cease trading at the same time ~~as of~~ the close of ~~the open outcry trading session~~ for the corresponding futures contract on that trading day.

20A01.I. Termination of Trading

Subject to the provisions of 20A01.D., no trades in Medium-Term U.S. Treasury Note futures options expiring in the current month shall be made after the close of trading ~~of the open outcry trading session~~ for the corresponding Medium-Term U.S. Treasury Note futures contract on the last Friday which precedes by at least two business days, the last business day of the month preceding the option month. If such Friday is not a business day, or there is a Friday which is not a business day which precedes by one business day the last business day of the month preceding the option month, the last day of trading shall be the business day prior to such Friday.

Attachment 4

Chapter 21A – Standard Options on Short-Term U.S. Treasury Note Futures

(Additions are underlined; deletions are ~~struck through~~.)

21A01.D. Trading Hours

The hours of trading for options on Short-Term U.S. Treasury Note futures contracts shall be determined by the Exchange. Short-Term U.S. Treasury Note futures options shall be opened and closed for all months and strike prices simultaneously or in such other manner as the Exchange shall direct.

On ~~the its~~ last day of trading ~~in an expiring option~~, on the expiring Short-Term U.S. Treasury Note futures options shall cease trading at the same time as ~~of the~~ close of ~~the open outcry trading session~~ for the corresponding futures contract on that trading day.

21A01.I. Termination of Trading

Subject to the provisions of 21A01.D., no trades in Short-Term U.S. Treasury Note futures options expiring in the current month shall be made after the close of trading ~~of the open outcry trading session~~ for the corresponding Short-Term U.S. Treasury Note futures contract on the last Friday which precedes by at least two business days, the last business day of the month preceding the option month. If such Friday is not a business day, or there is a Friday which is not a business day which precedes by one business day the last business day of the month preceding the option month, the last day of trading shall be the business day prior to such Friday.

Attachment 5

Chapter 22A – Standard Options on 30-Day Federal Funds Futures

(Additions are underlined; deletions are ~~struck through~~.)

22A01.D. Trading Hours

The hours of trading for options on 30-Day Fed Fund futures contracts shall be determined by the Exchange. Options shall be opened and closed for all months and strike prices simultaneously or in such other manner as determined by the Exchange.

On its last day of trading, an expiring 30-Day Fed Fund futures option shall cease trading at the same time as the close termination of open outcry trading for in the corresponding ~~30-Day Fed Fund~~ futures contract on that trading day.

22A01.I. Termination of Trading

Trading in an expiring 30-Day Fed Fund futures option ~~contract~~ shall terminate on the same date and at the same time as ~~the termination of open outcry trading in the corresponding 30-Day Fed Fund futures contract~~ (Rule 22102.F.).

Attachment 6

Chapter 23A – Options on 10-Year Interest Rate Swap Futures

(Additions are underlined; deletions are ~~struck through~~.)

23A01.D. Trading Hours

Trading hours shall be determined by the Exchange. Options shall be opened and closed for all expiration months and strike prices simultaneously, or in such other manner as determined by the Exchange.

On its last day of trading (Rule 23A01.I.), an expiring option shall cease trading at the same time as ~~of the close of the open-outery trading session or for the~~ corresponding 10-Year Interest Rate Swap futures contract on that trading day (Rule 23102.A.).

23A01.I. Termination of Trading

1. Options in the March Quarterly Cycle
For any option that expires in any month within the March Quarterly Cycle (Rule 23A00.A.1.), trading in such expiring option shall terminate on the same date and at the same time as the corresponding 10-Year Interest Rate Swap futures (Rules 23102.A. and 23102.F.).
2. Options Not in the March Quarterly Cycle
For any option that expires in any month not within the March Quarterly Cycle (Rule 23A00.A.2.), trading in such expiring option shall terminate on the Friday preceding the third Wednesday of the option's named month of expiration, at the same time as ~~of the close of the open-outery trading session~~ for the corresponding 10-Year Interest Rate Swap futures contract on that trading day (Rule 23A01.D.). If such Friday is a scheduled Exchange holiday, trading in such expiring option shall terminate on the last preceding Exchange business day. In the event that the market in the corresponding 10-Year Interest Rate Swap futures does not open on the scheduled option expiration day, option expiration shall occur on the next following Exchange business day on which such futures market is open for trading.

Attachment 7

Chapter 24A – Options on 5-Year Interest Rate Swap Futures

(Additions are underlined; deletions are ~~struck through~~.)

24A01.D. Trading Hours

Trading hours shall be determined by the Exchange. Options shall be opened and closed for all expiration months and strike prices simultaneously, or in such other manner as determined by the Exchange.

On its last day of trading (Rule 24A01.I.), an expiring option shall cease trading at the same time as ~~of the close of the open-outcry trading session or for the~~ corresponding 5-Year Interest Rate Swap futures contract on that trading day (Rule 24102.A.).

24A01.I. Termination of Trading

1. Options in the March Quarterly Cycle
For any option that expires in any month within the March Quarterly Cycle (Rule 24A00.A.1.), trading in such expiring option shall terminate on the same date and at the same time as the corresponding 5-Year Interest Rate Swap futures (Rules 24102.A. and 24102.F.).
2. Options Not in the March Quarterly Cycle
For any option that expires in any month not within the March Quarterly Cycle (Rule 24A00.A.2.), trading in such expiring option shall terminate on the Friday preceding the third Wednesday of the option's named month of expiration, at the same time as ~~of the close of the open-outcry trading session~~ for the corresponding 5-Year Interest Rate Swap futures contract on that trading day (Rule 24A01.D.). If such Friday is a scheduled Exchange holiday, trading in such expiring option shall terminate on the last preceding Exchange business day. In the event that the market in the corresponding 5-Year Interest Rate Swap futures does not open on the scheduled option expiration day, option expiration shall occur on the next following Exchange business day on which such futures market is open for trading.

Attachment 8

Chapter 25A – Options on 30-Year Interest Rate Swap Futures

(Additions are underlined; deletions are ~~struck through~~.)

25A01.D. Trading Hours

Trading hours shall be determined by the Exchange. Options shall be opened and closed for all expiration months and strike prices simultaneously, or in such other manner as determined by the Exchange.

On its last day of trading (Rule 25A01.I.), an expiring option shall cease trading at the same time as ~~of the close of the open-outcry trading session or for the~~ corresponding 30-Year Interest Rate Swap futures contract on that trading day (Rule 25102.A.).

25A01.I. Termination of Trading

1. Options in the March Quarterly Cycle
For any option that expires in any month within the March Quarterly Cycle (Rule 25A00.A.1.), trading in such expiring option shall terminate on the same date and at the same time as the corresponding 30-Year Interest Rate Swap futures (Rules 25102.A. and 25102.F.).
2. Options Not in the March Quarterly Cycle
For any option that expires in any month not within the March Quarterly Cycle (Rule 25A00.A.2.), trading in such expiring option shall terminate on the Friday preceding the third Wednesday of the option's named month of expiration, at the same time as ~~of the close of the open-outcry trading session~~ for the corresponding 30-Year Interest Rate Swap futures contract on that trading day (Rule 25A01.D.). If such Friday is a scheduled Exchange holiday, trading in such expiring option shall terminate on the last preceding Exchange business day. In the event that the market in the corresponding 30-Year Interest Rate Swap futures does not open on the scheduled option expiration day, option expiration shall occur on the next following Exchange business day on which such futures market is open for trading.

Attachment 9

Chapter 38A – Options on 7-Year Interest Rate Swap Futures

(Additions are underlined; deletions are ~~struck through~~.)

38A01.D. Trading Hours

Trading hours shall be determined by the Exchange. Options shall be opened and closed for all expiration months and strike prices simultaneously, or in such other manner as determined by the Exchange.

On its last day of trading (Rule 38A01.I.), an expiring option shall cease trading at the same time as the close of trading for the corresponding 7-Year Interest Rate Swap futures contract on that trading day (Rules 38102.A.).

~~1. Options in the March Quarterly Cycle~~

~~On the last day of trading (Rule 38A01.I.) in any option that expires in any month within the March Quarterly Cycle (Rule 38A00.A.1.), trading in such expiring option shall cease at the same time as the corresponding 7-Year Interest Rate Swap futures (Rules 38102.A. and 38102.F.).~~

~~2. Options Not in the March Quarterly Cycle~~

~~On the last day of trading (Rule 38A01.I.) in any option that expires in any month not within the March Quarterly Cycle (Rule 38A00.A.2.), trading in such expiring option shall cease at 2:00 p.m. Chicago time.~~

38A01.I. Termination of Trading

1. Options in the March Quarterly Cycle

For any option that expires in any month within the March Quarterly Cycle (Rule 38A00.A.1.), trading in such expiring option shall terminate on the same date and at the same time as the corresponding 7-Year Interest Rate Swap futures (Rules 38102.A. and 38102.F.).

2. Options Not in the March Quarterly Cycle

For any option that expires in any month not within the March Quarterly Cycle (Rule 38A00.A.2.), trading in such expiring option shall terminate ~~at 2:00 p.m. Chicago time (Rule 38A01.D.2.)~~ on the Friday preceding the third Wednesday of the option's named month of expiration, at the same time as the close of trading for the corresponding 7-Year Interest Rate Swap futures contract on that trading day (Rule 38A01.D.). If such Friday is a scheduled Exchange holiday, trading in such expiring option shall terminate on the last preceding Exchange business day. In the event that the market in the corresponding 7-Year Interest Rate Swap futures does not open on the scheduled option expiration day, option expiration shall occur on the next following Exchange business day on which such futures market is open for trading.