

**KANSAS CITY
BOARD OF TRADE**

CLEARING CORPORATION

July 30, 2012

SENT VIA AGENCY WEBSITE

CONFIDENTIAL TREATMENT
REQUESTED

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

Re: Submission Pursuant to CFTC Regulation Section 40.6(a)

Dear Mr. Stawick:

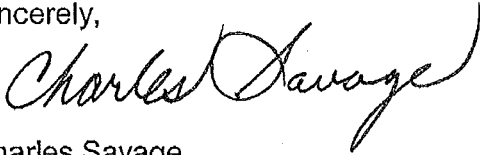
- I. **Certification.** The Kansas City Board of Trade Clearing Corporation ("KCBTCC") hereby gives notification to the Commission pursuant to Commission Regulation Section 40.6(a), of its intention to implement a Give-up Average Price System ("GAPS") Fine Policy which authorizes KCBTCC to assess a fine against any clearing member who can't meet the cutoff deadline time to submit GAP allocations. The KCBTCC Board of Directors, in a regular meeting held on July 26, 2012, unanimously approved the KCBTCC GAPS Fine Policy. KCBTCC certifies to the Commission that to the best of its knowledge the provisions of the KCBTCC GAPS Fine Policy is in compliance with the Commodity Exchange Act and the regulations thereunder.
- II. **Date of Implementation.** KCBTCC intends to implement the GAPS Fine Policy on Tuesday, August 14, 2012.
- III. **Substantive Opposing Views.** To the knowledge of the Board of Directors and staff, no substantive opposing views were expressed by members or others regarding the KCBTCC GAPS Fine Policy.
- IV. **Text of KCBTCC GAPS Fine Policy.**
See Appendix A.
- V. **Rationale for Action Taken.** During the past month certain KCBT clearing member(s) have failed to submit GAP allocations on a timely basis which has caused delays in processing trade data. In order to

rectify the situation, KCBTCC will implement a fine against any clearing member who can't meet the cutoff deadline to submit GAP allocations. The proposed KCBTCC GAPS Fine Policy is in compliance with applicable provisions of the Act, including core principles and the Commission's regulations thereunder.

- VI. **Closing.** Any questions regarding this submission should be directed to the undersigned at 816-931-8964 or csavage@kcbt.com.

KCBTCC certifies that it has posted a notice of pending certification with the Commission and a copy of the submission, concurrent with the filing of the submission with the Commission on our website, thereby providing public notice. The link to the posting is http://www.kcbt.com/rule_book/kcbtcc.htm. KCBTCC has separately requested confidential treatment pursuant to the Freedom of Information Act, 5 U.S.C. 552, regarding the KCBTCC GAPS Fine Policy as set forth in Appendix A.

Sincerely,

A handwritten signature in cursive script that reads "Charles Savage". The signature is written in black ink and is positioned above the typed name and title.

Charles Savage
Assistant Vice President & Manager



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BOARD OF TRADE**

CLEARING CORPORATION

July 30, 2012

SENT VIA E-MAIL

Assistant Secretary of the Commission for FOI,
Privacy & Sunshine Acts Compliance
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, N.W.
Washington, D.C. 20581

**CONFIDENTIAL TREATMENT
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Re: FOIA Confidential Treatment Request

Dear FOIA Compliance:

The Kansas City Board of Trade Clearing Corporation ("KCBTCC") hereby petitions, pursuant to the Freedom of Information Act, 5 U.S.C. 552 (Commission Regulation Section 145.9), that the attached KCBTCC Give-up Average Price System Fine Policy be retained and treated as "confidential" information and protected from requests to review such information pursuant to the Freedom of Information Act ("FOIA"). KCBTCC further requests that the information subject to this confidential treatment request remain confidential until such time as KCBTCC notifies the Commission in writing of its intent to no longer have the confidentiality of such information protected pursuant to the above FOIA regulations.

The basis for this petition for confidential treatment is Commission Regulation Section 145.9(d)(1)(ii). Disclosure of such information provided by KCBTCC would reveal financial, operational and procedural information considered trade secrets and confidential commercial and financial information. KCBTCC is requesting confidential treatment of the entire document.

In the event a FOIA request for such information is filed, please contact me at 816-931-8964.

Sincerely,

Charles Savage
Assistant Vice President and Manager