

August 22, 2013

VIA E-MAIL

Ms. Melissa Jurgens
Office of the Secretariat
Commodity Futures Trading Commission
3 Lafayette Center
1155 21st Street NW
Washington, DC 20581

**Re: Regulation §40.6(a) Amendment of Terms and Conditions for
2-Year 5-Year, 10-Year, and 30-Year US Dollar Interest Rate Swap Futures
CBOT Submission No 13-349**

Dear Ms. Jurgens:

The Board of Trade of the City of Chicago, Inc. ("CBOT" or "Exchange") hereby notifies the Commodity Futures Trading Commission ("CFTC") that it is self-certifying amendments to terms and conditions for 2-Year US Dollar Interest Rate Swap futures contracts, 5-Year US Dollar Interest Rate Swap futures contracts, 10-Year Interest Rate Swap futures contracts, and 30-Year US Dollar Interest Rate Swap futures contracts (collectively, "USD IRS futures"). Such rule amendments shall serve to:

- (1) permit operational flexibility in the discharge of rules pertaining to deliveries on expiring contracts, so as to facilitate Exchange Clearing Members' compliance with such rules, and
- (2) clarify contract terms in regard to exchanges of information pertinent to potential or pending deliveries on expiring contracts, where such information is required under contract terms and conditions to be shared among Exchange Clearing Members, CME IRS Clearing Members, and CME Clearing.

The rule amendments certified herein do not systematically convey value from long interest to short, or vice versa, and therefore exert no impact on prices of open futures contracts, nor do such rule amendments add duties or obligations to be met by parties to deliveries on expiring futures contracts, beyond such duties and obligations as are currently dictated by contract terms and conditions. In view of this, it is the Exchange's intent, pending completion of this self-certification, to put such rule amendments into effect on Sunday, 8 September 2013, for first trade date of Monday, 9 September 2013, with application to futures contracts for delivery in September 2013 and in contract delivery months thereafter.

The Exchange's Research Department and Legal Department have reviewed the Core Principles for Designated Contract Markets, as set forth in the Commodity Exchange Act as amended ("CEA" or "Act"), and have determined that the amendments to contract terms and conditions certified herein bear upon on the following Core Principles:

Core Principle 2 – Compliance with Rules

Trading in USD IRS futures is subject to CBOT Rulebook Chapter 4, which includes prohibitions against fraudulent, noncompetitive, unfair, and abusive practices. Additionally, trading in these contracts is subject to the Exchange's trade practice rules, the majority of which are contained in Chapter 5 and Chapter 8 of the Rulebook. As with all products listed for trading on any of CME Group's designated contract markets, trading activity in these contracts is subject to monitoring and surveillance by CME Group's Market Regulation Department, which has the authority to exercise its investigatory and enforcement power where potential rule violations are identified.

By clarifying the respective responsibilities of Exchange Clearing Members, CME IRS Clearing Members, and CME Clearing in ensuring orderly deliveries on expiring contracts, the rule amendments certified herein strengthen the ability of the Exchange to monitor and enforce compliance with the rules of the contract market, specifically in respect of compliance with contract terms and conditions pertaining to physical deliveries in fulfillment of contract.

Core Principle 3 – Contracts Not Readily Subject to Manipulation

CME Clearing has the capability, in principle, to interpose itself as the counterparty in as many contract-grade interest rate swaps as may be needed to fulfill delivery on expiring futures contracts that are taken to delivery. Because there is no physical limitation upon the available supply of an expiring futures contract's

deliverable commodity, there is no basis on which a would-be wrongdoer would be able to manipulate or squeeze or congest a futures contract final settlement, or attempt to do so.

The rule amendments certified herein sharpen the ability of CME Clearing, Exchange Clearing Members, and CME IRS Clearing Members to ensure that parties who carry expiring futures contracts to physical delivery shall be strictly limited to those who meet regulatory standards of eligibility to participate in such physical deliveries.

Core Principle 4 – Prevention of Market Disruption

Trading in USD IRS futures is subject to CBOT Rulebook Chapters 4 and 7, which include prohibitions on manipulation, price distortion, and disruption to the physical delivery process. As with any product recently listed for trading on a CME Group designated contract market, trading activity in CBOT USD IRS futures shall be subject to monitoring and surveillance by CME Group's Market Regulation Department.

Amendments to contract terms and conditions certified herein shall further this purpose by clarifying the respective duties of Exchange Clearing Members, CME IRS Clearing Members, and CME Clearing to ensure procedural transparency and orderliness in deliveries on expiring contracts.

Core Principle 7 – Availability of General Information

The Exchange shall publish on its website information in regard to futures contract specifications, terms, and conditions, as well as daily trading volume, open interest, and price information.

Core Principle 10 – Trade Information

All requisite trade information is included in the audit trail, sufficient for the Market Regulation Department to monitor for market abuse. The rule amendments certified herein conduce to this Core Principle by clarifying the respective obligations of Exchange Clearing Members, CME IRS Clearing Members, and CME Clearing to timely notify one another of expiring futures positions that are intended, and affirmed, for delivery.

Appendices 1 through 4, attached, exhibit the rule amendments certified herein, as follows:

Appendix 1	CBOT Rulebook Chapter 51 – 2-Year USD IRS Futures
Appendix 2	CBOT Rulebook Chapter 52 – 5-Year USD IRS Futures
Appendix 3	CBOT Rulebook Chapter 53 – 10-Year USD IRS Futures
Appendix 4	CBOT Rulebook Chapter 54 – 30-Year USD IRS Futures

The Exchange certifies that these amendments to contract terms and conditions comply with the Act and rules thereunder, with 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-fillings.html>.

If you require any additional information regarding this action, please do not hesitate to contact my colleague Frederick Sturm (312 930 1282, frederick.sturm@cmegroup.com) or me (212 299 2200, christopher.bowen@cmegroup.com). Please reference CBOT Submission No. 13-349 in any related correspondence.

Sincerely,

/s/ Christopher Bowen
Managing Director and Chief Regulatory Counsel

Attachments

Appendix 1

Amendments to CBOT Rulebook Chapter 51, Rules 51104. – 2-Year US Dollar Interest Rate Swap Futures

(Additions are red underlined. Deletions are ~~struck through~~.)

51104. DELIVERIES ON EXPIRING FUTURES CONTRACTS

51104.A. Requirements for Participation in Delivery

For an account carried by a clearing member to make or accept delivery on an expiring futures contract, the holder of such account is required to be:

1. an Eligible Contract Participant, as that term is defined in Section 1a(18) of the Commodity Exchange Act (7 USC §1a(18) and 17 CFR 1.3(m)), and
2. either an IRS Clearing Member (CME Rule 90005.A.) or an IRS Participant registered with CME by an IRS Clearing Member (CME Rule 8F009. and CME Rule 90005.B.).

Subject to these requirements and to CBOT Rules 51104.B. and 51104.C., upon Termination of Trading in such expiring futures (CBOT Rule 51102.F.), the holder of each such account that holds a long interest in such futures contract shall be required to accept delivery from the Clearing House of IRS Contracts that meet Contract Grade (CBOT Rule 51101.A.), and the holder of each such account that holds a short interest in such futures contract shall be required to make delivery to the Clearing House of IRS Contracts that meet Contract Grade.

51104.B. IRS Product Account Registration

Any IRS Contract delivered or accepted for delivery in fulfillment of an expiring futures contract must be identified with an IRS Product account number that identifies the holder of such IRS Product account, and that specifies whether such IRS Product account is either (1) a proprietary account of an IRS Clearing Member or (2) held by a customer registered with CME by an IRS Clearing Member as an IRS Participant (CME Rule 8F009. and CME Rule 90005.B.).

51104.C. Clearing Member Obligations in Delivery

Subject to the provisions of CBOT Rulebook Chapters 7, 8, and 9, as of the termination ~~during the last five 5 days~~ of trading in an expiring futures contract (CBOT Rule 51102.F.), each clearing member that carries accounts holding long or short interest in such expiring futures contract shall:

1. ensure that the requirements set forth in CBOT Rule 51104.A. are met ~~at all times~~.
2. in accord with the requirements set forth in CBOT Rule 51104.B., ensure that the holder of each such account ~~has~~ shall designated (a) the IRS Product account(s) in which the holder shall make or accept any deliveries on expiring futures contracts and (b) the IRS Clearing Member(s) carrying such IRS Product account(s).
3. ensure that any ~~timely~~ notify IRS Clearing Member(s) carrying such IRS Product account(s) as may be designated pursuant to CBOT Rule 51104.C.2. has been notified of such designation.
4. obtain acknowledgement from each IRS Clearing Member designated pursuant to CBOT Rule 51104.C.2. that such IRS Clearing Member shall guarantee and assume complete responsibility for the performance of all delivery requirements in respect of such expiring futures (CBOT Rule 51104.E.).

Where a clearing member carries accounts holding interest both long and short in such expiring futures contract, the clearing member must fulfill these Rules 51104.C. so as to procure that delivery shall be made by all such accounts holding short interest and shall be accepted by all such accounts holding long interest.

51104.D. Clearing Member Reporting Obligations Prior to Delivery

Each clearing member that carries accounts holding long or short interest in an expiring futures contract shall report to the Clearing House, on each of the last 5 days of trading in such expiring futures, an accurate inventory of such long and short interest, in such manner and at such times as the Clearing House may prescribe, provided that such inventory must include, for each account holding long or short interest:

1. declaration of the number of expiring futures contracts held long, and the number of expiring futures contracts held short, in such account;

2. confirmation whether such account meets, or does not meet, the requirements set forth in CBOT Rule 51104.A.;

3. where such account meets the requirements set forth in CBOT Rule 51104.A., (a) the IRS Product account number, and the IRS Product account origin (house or customer), and the IRS Clearing Member carrying such IRS Product account, as designated pursuant to CBOT Rule 51104.C.2., and (b) confirmation that such IRS Clearing Member has been notified as required by CBOT Rule 51104.C.3., and has made such acknowledgements as are required by CBOT Rule 51104.C.4.

~~_____ 5. report to the Clearing House, on each of the last 5 days of trading in such expiring futures, an accurate inventory of such long and short interest, in such manner and at such times as the Clearing House may prescribe, provided that such inventory must include, for each account holding long or short interest:~~

~~_____ (a) declaration of the number of expiring futures contracts held long, or the number of expiring futures contracts held short, in such account;~~

~~_____ (b) confirmation that such account meets the requirements set forth in CBOT Rule 51104.A.;~~

~~_____ (c) the IRS Product account number and IRS Product account origin (house or customer), as designated pursuant to CBOT Rule 51104.C.2.;~~

~~_____ (d) the IRS Clearing Member carrying such IRS Product account, as designated pursuant to CBOT Rule 51104.C.2.;~~

~~_____ (e) confirmation that such IRS Clearing Member, as designated pursuant to CBOT Rule 51104.C.2., has been notified as required by CBOT Rule 51104.C.3., and has made such acknowledgements as are required by CBOT Rule 51104.C.4.~~

~~Where a clearing member carries accounts holding interest both long and short in such expiring futures contract, the clearing member must fulfill these Rules 51104.C. so as to procure that delivery shall be made by all such accounts holding short interest and shall be accepted by all such accounts holding long interest.~~

51104.E.D. Notification of IRS Clearing Members in Delivery

Following the termination of trading in an expiring futures contract (CBOT Rule 51102.F.), the Clearing House shall notify each IRS Clearing Member carrying one or more IRS Product accounts that are required to make or accept delivery in fulfillment of such expiring futures, as designated pursuant to CBOT Rules 51104.C. For each such IRS Clearing Member, such Clearing House notification shall include:

1. identification of IRS Product accounts, carried by such IRS Clearing Member, that are required to accept delivery on long futures positions; the size of each such long futures position; and the identity of the clearing member firm(s) carrying the account(s) in which each such long futures position is held; and /or

2. identification of IRS Product accounts, carried by such IRS Clearing Member, that are required to make delivery on short futures positions; the size of each such short futures position; and the identity of the clearing member firm(s) carrying the account(s) in which each such short futures position is held.

51104.FE. IRS Clearing Member Obligations in Delivery

In the event that an IRS Clearing Member disputes such notification of delivery on expiring futures as it may receive from the Clearing House, pursuant to CBOT Rule 51104.ED., such IRS Clearing Member shall promptly notify the Clearing House, and the dispute must be settled no later than 12:30 p.m. Chicago time on the Acceptance Date and Clearing Effective Date for delivery in fulfillment of such expiring futures (CBOT Rule 51103.B.).

As of 12:30 p.m. Chicago time on the Acceptance Date and Clearing Effective Date for delivery in fulfillment of an expiring futures, an IRS Clearing Member who carries an IRS Product account that is required to make or accept delivery on such expiring futures contract (CBOT Rules 51104.A, 51104.B., 51104.C., ~~and~~ 51104.D. and 51104.E.) shall guarantee and assume complete responsibility for the performance of all delivery requirements set forth in the Rules.

51104.GF. Clearing House Financial Safeguards

A futures contract made under these Rules shall be a Base Guaranty Fund Product subject to the Clearing House financial safeguards provided by the General Guarantee Fund (CME Rule 802.A.).

An IRS Contract that is delivered or accepted for delivery in fulfillment of a futures contract made under these Rules shall be an IRS Product subject to the Clearing House financial safeguards provided by the IRS Guaranty Fund (CME Rule 8G07.).

Appendix 2

Amendments to CBOT Rulebook Chapter 52, Rules 52104. – 5-Year US Dollar Interest Rate Swap Futures

(Additions are red underlined. Deletions are ~~struck through~~.)

52104. DELIVERIES ON EXPIRING FUTURES CONTRACTS

52104.A. Requirements for Participation in Delivery

For an account carried by a clearing member to make or accept delivery on an expiring futures contract, the holder of such account is required to be:

1. an Eligible Contract Participant, as that term is defined in Section 1a(18) of the Commodity Exchange Act (7 USC §1a(18) and 17 CFR 1.3(m)), and
2. either an IRS Clearing Member (CME Rule 90005.A.) or an IRS Participant registered with CME by an IRS Clearing Member (CME Rule 8F009. and CME Rule 90005.B.).

Subject to these requirements and to CBOT Rules 52104.B. and 52104.C., upon Termination of Trading in such expiring futures (CBOT Rule 52102.F.), the holder of each such account that holds a long interest in such futures contract shall be required to accept delivery from the Clearing House of IRS Contracts that meet Contract Grade (CBOT Rule 52101.A.), and the holder of each such account that holds a short interest in such futures contract shall be required to make delivery to the Clearing House of IRS Contracts that meet Contract Grade.

52104.B. IRS Product Account Registration

Any IRS Contract delivered or accepted for delivery in fulfillment of an expiring futures contract must be identified with an IRS Product account number that identifies the holder of such IRS Product account, and that specifies whether such IRS Product account is either (1) a proprietary account of an IRS Clearing Member or (2) held by a customer registered with CME by an IRS Clearing Member as an IRS Participant (CME Rule 8F009. and CME Rule 90005.B.).

52104.C. Clearing Member Obligations in Delivery

Subject to the provisions of CBOT Rulebook Chapters 7, 8, and 9, as of the termination ~~during the last five 5 days~~ of trading in an expiring futures contract (CBOT Rule 52102.F.), each clearing member that carries accounts holding long or short interest in such expiring futures contract shall:

1. ensure that the requirements set forth in CBOT Rule 52104.A. are met ~~at all times~~.
2. in accord with the requirements set forth in CBOT Rule 52104.B., ensure that the holder of each such account ~~has~~ shall designated (a) the IRS Product account(s) in which the holder shall make or accept any deliveries on expiring futures contracts and (b) the IRS Clearing Member(s) carrying such IRS Product account(s).
3. ensure that any ~~timely~~ notify IRS Clearing Member(s) carrying such IRS Product account(s) as may be designated pursuant to CBOT Rule 52104.C.2. has been notified of such designation.
4. obtain acknowledgement from each IRS Clearing Member designated pursuant to CBOT Rule 52104.C.2. that such IRS Clearing Member shall guarantee and assume complete responsibility for the performance of all delivery requirements in respect of such expiring futures (CBOT Rule 52104.E.).

Where a clearing member carries accounts holding interest both long and short in such expiring futures contract, the clearing member must fulfill these Rules 52104.C. so as to procure that delivery shall be made by all such accounts holding short interest and shall be accepted by all such accounts holding long interest.

52104.D. Clearing Member Reporting Obligations Prior to Delivery

Each clearing member that carries accounts holding long or short interest in an expiring futures contract shall report to the Clearing House, on each of the last 5 days of trading in such expiring futures, an accurate inventory of such long and short interest, in such manner and at such times as the Clearing House may prescribe, provided that such inventory must include, for each account holding long or short interest:

1. declaration of the number of expiring futures contracts held long, and the number of expiring futures contracts held short, in such account;

2. confirmation whether such account meets, or does not meet, the requirements set forth in CBOT Rule 52104.A.;

3. where such account meets the requirements set forth in CBOT Rule 52104.A., (a) the IRS Product account number, and the IRS Product account origin (house or customer), and the IRS Clearing Member carrying such IRS Product account, as designated pursuant to CBOT Rule 52104.C.2., and (b) confirmation that such IRS Clearing Member has been notified as required by CBOT Rule 52104.C.3., and has made such acknowledgements as are required by CBOT Rule 52104.C.4.

~~5. report to the Clearing House, on each of the last 5 days of trading in such expiring futures, an accurate inventory of such long and short interest, in such manner and at such times as the Clearing House may prescribe, provided that such inventory must include, for each account holding long or short interest:~~

~~(a) declaration of the number of expiring futures contracts held long, or the number of expiring futures contracts held short, in such account;~~

~~(b) confirmation that such account meets the requirements set forth in CBOT Rule 52104.A.;~~

~~(c) the IRS Product account number and IRS Product account origin (house or customer), as designated pursuant to CBOT Rule 52104.C.2.;~~

~~(d) the IRS Clearing Member carrying such IRS Product account, as designated pursuant to CBOT Rule 52104.C.2.;~~

~~(e) confirmation that such IRS Clearing Member, as designated pursuant to CBOT Rule 52104.C.2., has been notified as required by CBOT Rule 52104.C.3., and has made such acknowledgements as are required by CBOT Rule 52104.C.4.~~

~~Where a clearing member carries accounts holding interest both long and short in such expiring futures contract, the clearing member must fulfill these Rules 52104.C. so as to procure that delivery shall be made by all such accounts holding short interest and shall be accepted by all such accounts holding long interest.~~

52104.E.D. Notification of IRS Clearing Members in Delivery

Following the termination of trading in an expiring futures contract (CBOT Rule 52102.F.), the Clearing House shall notify each IRS Clearing Member carrying one or more IRS Product accounts that are required to make or accept delivery in fulfillment of such expiring futures, as designated pursuant to CBOT Rules 52104.C. For each such IRS Clearing Member, such Clearing House notification shall include:

1. identification of IRS Product accounts, carried by such IRS Clearing Member, that are required to accept delivery on long futures positions; the size of each such long futures position; and the identity of the clearing member firm(s) carrying the account(s) in which each such long futures position is held; and /or

2. identification of IRS Product accounts, carried by such IRS Clearing Member, that are required to make delivery on short futures positions; the size of each such short futures position; and the identity of the clearing member firm(s) carrying the account(s) in which each such short futures position is held.

52104.FE. IRS Clearing Member Obligations in Delivery

In the event that an IRS Clearing Member disputes such notification of delivery on expiring futures as it may receive from the Clearing House, pursuant to CBOT Rule 52104.ED., such IRS Clearing Member shall promptly notify the Clearing House, and the dispute must be settled no later than 12:30 p.m. Chicago time on the Acceptance Date and Clearing Effective Date for delivery in fulfillment of such expiring futures (CBOT Rule 52103.B.).

As of 12:30 p.m. Chicago time on the Acceptance Date and Clearing Effective Date for delivery in fulfillment of an expiring futures, an IRS Clearing Member who carries an IRS Product account that is required to make or accept delivery on such expiring futures contract (CBOT Rules 52104.A, 52104.B., 52104.C., ~~and~~ 52104.D. **and 52104.E.**) shall guarantee and assume complete responsibility for the performance of all delivery requirements set forth in the Rules.

52104.GF. Clearing House Financial Safeguards

A futures contract made under these Rules shall be a Base Guaranty Fund Product subject to the Clearing House financial safeguards provided by the General Guarantee Fund (CME Rule 802.A.).

An IRS Contract that is delivered or accepted for delivery in fulfillment of a futures contract made under these Rules shall be an IRS Product subject to the Clearing House financial safeguards provided by the IRS Guaranty Fund (CME Rule 8G07.).

Appendix 3

Amendments to CBOT Rulebook Chapter 53, Rules 53104. – 10-Year US Dollar Interest Rate Swap Futures

(Additions are red underlined. Deletions are ~~struck through~~.)

53104. DELIVERIES ON EXPIRING FUTURES CONTRACTS

53104.A. Requirements for Participation in Delivery

For an account carried by a clearing member to make or accept delivery on an expiring futures contract, the holder of such account is required to be:

1. an Eligible Contract Participant, as that term is defined in Section 1a(18) of the Commodity Exchange Act (7 USC §1a(18) and 17 CFR 1.3(m)), and
2. either an IRS Clearing Member (CME Rule 90005.A.) or an IRS Participant registered with CME by an IRS Clearing Member (CME Rule 8F009. and CME Rule 90005.B.).

Subject to these requirements and to CBOT Rules 53104.B. and 53104.C., upon Termination of Trading in such expiring futures (CBOT Rule 53102.F.), the holder of each such account that holds a long interest in such futures contract shall be required to accept delivery from the Clearing House of IRS Contracts that meet Contract Grade (CBOT Rule 53101.A.), and the holder of each such account that holds a short interest in such futures contract shall be required to make delivery to the Clearing House of IRS Contracts that meet Contract Grade.

53104.B. IRS Product Account Registration

Any IRS Contract delivered or accepted for delivery in fulfillment of an expiring futures contract must be identified with an IRS Product account number that identifies the holder of such IRS Product account, and that specifies whether such IRS Product account is either (1) a proprietary account of an IRS Clearing Member or (2) held by a customer registered with CME by an IRS Clearing Member as an IRS Participant (CME Rule 8F009. and CME Rule 90005.B.).

53104.C. Clearing Member Obligations in Delivery

Subject to the provisions of CBOT Rulebook Chapters 7, 8, and 9, as of the termination ~~during the last five 5 days~~ of trading in an expiring futures contract (CBOT Rule 53102.F.), each clearing member that carries accounts holding long or short interest in such expiring futures contract shall:

1. ensure that the requirements set forth in CBOT Rule 53104.A. are met ~~at all times~~.
2. in accord with the requirements set forth in CBOT Rule 53104.B., ensure that the holder of each such account ~~has~~ shall designated (a) the IRS Product account(s) in which the holder shall make or accept any deliveries on expiring futures contracts and (b) the IRS Clearing Member(s) carrying such IRS Product account(s).
3. ensure that any ~~timely~~ notify IRS Clearing Member(s) carrying such IRS Product account(s) as may be designated pursuant to CBOT Rule 53104.C.2. has been notified of such designation.
4. obtain acknowledgement from each IRS Clearing Member designated pursuant to CBOT Rule 53104.C.2. that such IRS Clearing Member shall guarantee and assume complete responsibility for the performance of all delivery requirements in respect of such expiring futures (CBOT Rule 53104.E.).

Where a clearing member carries accounts holding interest both long and short in such expiring futures contract, the clearing member must fulfill these Rules 53104.C. so as to procure that delivery shall be made by all such accounts holding short interest and shall be accepted by all such accounts holding long interest.

53104.D. Clearing Member Reporting Obligations Prior to Delivery

Each clearing member that carries accounts holding long or short interest in an expiring futures contract shall report to the Clearing House, on each of the last 5 days of trading in such expiring futures, an accurate inventory of such long and short interest, in such manner and at such times as the Clearing House may prescribe, provided that such inventory must include, for each account holding long or short interest:

1. declaration of the number of expiring futures contracts held long, and the number of expiring futures contracts held short, in such account;

2. confirmation whether such account meets, or does not meet, the requirements set forth in CBOT Rule 53104.A.;

3. where such account meets the requirements set forth in CBOT Rule 53104.A., (a) the IRS Product account number, and the IRS Product account origin (house or customer), and the IRS Clearing Member carrying such IRS Product account, as designated pursuant to CBOT Rule 53104.C.2., and (b) confirmation that such IRS Clearing Member has been notified as required by CBOT Rule 53104.C.3., and has made such acknowledgements as are required by CBOT Rule 53104.C.4.

~~5. report to the Clearing House, on each of the last 5 days of trading in such expiring futures, an accurate inventory of such long and short interest, in such manner and at such times as the Clearing House may prescribe, provided that such inventory must include, for each account holding long or short interest:~~

~~(a) declaration of the number of expiring futures contracts held long, or the number of expiring futures contracts held short, in such account;~~

~~(b) confirmation that such account meets the requirements set forth in CBOT Rule 53104.A.;~~

~~(c) the IRS Product account number and IRS Product account origin (house or customer), as designated pursuant to CBOT Rule 53104.C.2.;~~

~~(d) the IRS Clearing Member carrying such IRS Product account, as designated pursuant to CBOT Rule 53104.C.2.;~~

~~(e) confirmation that such IRS Clearing Member, as designated pursuant to CBOT Rule 53104.C.2., has been notified as required by CBOT Rule 53104.C.3., and has made such acknowledgements as are required by CBOT Rule 53104.C.4.~~

~~Where a clearing member carries accounts holding interest both long and short in such expiring futures contract, the clearing member must fulfill these Rules 53104.C. so as to procure that delivery shall be made by all such accounts holding short interest and shall be accepted by all such accounts holding long interest.~~

53104.E.D. Notification of IRS Clearing Members in Delivery

Following the termination of trading in an expiring futures contract (CBOT Rule 53102.F.), the Clearing House shall notify each IRS Clearing Member carrying one or more IRS Product accounts that are required to make or accept delivery in fulfillment of such expiring futures, as designated pursuant to CBOT Rules 53104.C. For each such IRS Clearing Member, such Clearing House notification shall include:

1. identification of IRS Product accounts, carried by such IRS Clearing Member, that are required to accept delivery on long futures positions; the size of each such long futures position; and the identity of the clearing member firm(s) carrying the account(s) in which each such long futures position is held; and /or

2. identification of IRS Product accounts, carried by such IRS Clearing Member, that are required to make delivery on short futures positions; the size of each such short futures position; and the identity of the clearing member firm(s) carrying the account(s) in which each such short futures position is held.

53104.FE. IRS Clearing Member Obligations in Delivery

In the event that an IRS Clearing Member disputes such notification of delivery on expiring futures as it may receive from the Clearing House, pursuant to CBOT Rule 53104.ED., such IRS Clearing Member shall promptly notify the Clearing House, and the dispute must be settled no later than 12:30 p.m. Chicago time on the Acceptance Date and Clearing Effective Date for delivery in fulfillment of such expiring futures (CBOT Rule 53103.B.).

As of 12:30 p.m. Chicago time on the Acceptance Date and Clearing Effective Date for delivery in fulfillment of an expiring futures, an IRS Clearing Member who carries an IRS Product account that is required to make or accept delivery on such expiring futures contract (CBOT Rules 53104.A, 53104.B., 53104.C., ~~and~~ 53104.D. **and 53104.E.**) shall guarantee and assume complete responsibility for the performance of all delivery requirements set forth in the Rules.

53104.GF. Clearing House Financial Safeguards

A futures contract made under these Rules shall be a Base Guaranty Fund Product subject to the Clearing House financial safeguards provided by the General Guarantee Fund (CME Rule 802.A.).

An IRS Contract that is delivered or accepted for delivery in fulfillment of a futures contract made under these Rules shall be an IRS Product subject to the Clearing House financial safeguards provided by the IRS Guaranty Fund (CME Rule 8G07.).

Appendix 4

Amendments to CBOT Rulebook Chapter 54, Rules 54104. – 30-Year US Dollar Interest Rate Swap Futures

(Additions are red underlined. Deletions are ~~struck through~~.)

54104. DELIVERIES ON EXPIRING FUTURES CONTRACTS

54104.A. Requirements for Participation in Delivery

For an account carried by a clearing member to make or accept delivery on an expiring futures contract, the holder of such account is required to be:

1. an Eligible Contract Participant, as that term is defined in Section 1a(18) of the Commodity Exchange Act (7 USC §1a(18) and 17 CFR 1.3(m)), and
2. either an IRS Clearing Member (CME Rule 90005.A.) or an IRS Participant registered with CME by an IRS Clearing Member (CME Rule 8F009. and CME Rule 90005.B.).

Subject to these requirements and to CBOT Rules 54104.B. and 54104.C., upon Termination of Trading in such expiring futures (CBOT Rule 54102.F.), the holder of each such account that holds a long interest in such futures contract shall be required to accept delivery from the Clearing House of IRS Contracts that meet Contract Grade (CBOT Rule 54101.A.), and the holder of each such account that holds a short interest in such futures contract shall be required to make delivery to the Clearing House of IRS Contracts that meet Contract Grade.

54104.B. IRS Product Account Registration

Any IRS Contract delivered or accepted for delivery in fulfillment of an expiring futures contract must be identified with an IRS Product account number that identifies the holder of such IRS Product account, and that specifies whether such IRS Product account is either (1) a proprietary account of an IRS Clearing Member or (2) held by a customer registered with CME by an IRS Clearing Member as an IRS Participant (CME Rule 8F009. and CME Rule 90005.B.).

54104.C. Clearing Member Obligations in Delivery

Subject to the provisions of CBOT Rulebook Chapters 7, 8, and 9, as of the termination ~~during the last five 5 days~~ of trading in an expiring futures contract (CBOT Rule 54102.F.), each clearing member that carries accounts holding long or short interest in such expiring futures contract shall:

1. ensure that the requirements set forth in CBOT Rule 54104.A. are met ~~at all times~~.
2. in accord with the requirements set forth in CBOT Rule 54104.B., ensure that the holder of each such account ~~has~~ shall ~~designated~~ (a) the IRS Product account(s) in which the holder shall make or accept any deliveries on expiring futures contracts and (b) the IRS Clearing Member(s) carrying such IRS Product account(s).
3. ensure that any ~~timely~~ ~~notify~~ IRS Clearing Member(s) carrying such IRS Product account(s) as may be designated pursuant to CBOT Rule 54104.C.2. has been notified of such designation.
4. obtain acknowledgement from each IRS Clearing Member designated pursuant to CBOT Rule 54104.C.2. that such IRS Clearing Member shall guarantee and assume complete responsibility for the performance of all delivery requirements in respect of such expiring futures (CBOT Rule 54104.E.).

Where a clearing member carries accounts holding interest both long and short in such expiring futures contract, the clearing member must fulfill these Rules 54104.C. so as to procure that delivery shall be made by all such accounts holding short interest and shall be accepted by all such accounts holding long interest.

54104.D. Clearing Member Reporting Obligations Prior to Delivery

Each clearing member that carries accounts holding long or short interest in an expiring futures contract shall report to the Clearing House, on each of the last 5 days of trading in such expiring futures, an accurate inventory of such long and short interest, in such manner and at such times as the Clearing House may prescribe, provided that such inventory must include, for each account holding long or short interest:

1. declaration of the number of expiring futures contracts held long, and the number of expiring futures contracts held short, in such account;

2. confirmation whether such account meets, or does not meet, the requirements set forth in CBOT Rule 54104.A.;

3. where such account meets the requirements set forth in CBOT Rule 54104.A., (a) the IRS Product account number, and the IRS Product account origin (house or customer), and the IRS Clearing Member carrying such IRS Product account, as designated pursuant to CBOT Rule 54104.C.2., and (b) confirmation that such IRS Clearing Member has been notified as required by CBOT Rule 54104.C.3., and has made such acknowledgements as are required by CBOT Rule 54104.C.4.

~~_____ 5. report to the Clearing House, on each of the last 5 days of trading in such expiring futures, an accurate inventory of such long and short interest, in such manner and at such times as the Clearing House may prescribe, provided that such inventory must include, for each account holding long or short interest:~~

~~_____ (a) declaration of the number of expiring futures contracts held long, or the number of expiring futures contracts held short, in such account;~~

~~_____ (b) confirmation that such account meets the requirements set forth in CBOT Rule 54104.A.;~~

~~_____ (c) the IRS Product account number and IRS Product account origin (house or customer), as designated pursuant to CBOT Rule 54104.C.2.;~~

~~_____ (d) the IRS Clearing Member carrying such IRS Product account, as designated pursuant to CBOT Rule 54104.C.2.;~~

~~_____ (e) confirmation that such IRS Clearing Member, as designated pursuant to CBOT Rule 54104.C.2., has been notified as required by CBOT Rule 54104.C.3., and has made such acknowledgements as are required by CBOT Rule 54104.C.4.~~

~~Where a clearing member carries accounts holding interest both long and short in such expiring futures contract, the clearing member must fulfill these Rules 54104.C. so as to procure that delivery shall be made by all such accounts holding short interest and shall be accepted by all such accounts holding long interest.~~

54104.E.D. Notification of IRS Clearing Members in Delivery

Following the termination of trading in an expiring futures contract (CBOT Rule 54102.F.), the Clearing House shall notify each IRS Clearing Member carrying one or more IRS Product accounts that are required to make or accept delivery in fulfillment of such expiring futures, as designated pursuant to CBOT Rules 54104.C. For each such IRS Clearing Member, such Clearing House notification shall include:

1. identification of IRS Product accounts, carried by such IRS Clearing Member, that are required to accept delivery on long futures positions; the size of each such long futures position; and the identity of the clearing member firm(s) carrying the account(s) in which each such long futures position is held; and /or

2. identification of IRS Product accounts, carried by such IRS Clearing Member, that are required to make delivery on short futures positions; the size of each such short futures position; and the identity of the clearing member firm(s) carrying the account(s) in which each such short futures position is held.

54104.FE. IRS Clearing Member Obligations in Delivery

In the event that an IRS Clearing Member disputes such notification of delivery on expiring futures as it may receive from the Clearing House, pursuant to CBOT Rule 54104.ED., such IRS Clearing Member shall promptly notify the Clearing House, and the dispute must be settled no later than 12:30 p.m. Chicago time on the Acceptance Date and Clearing Effective Date for delivery in fulfillment of such expiring futures (CBOT Rule 54103.B.).

As of 12:30 p.m. Chicago time on the Acceptance Date and Clearing Effective Date for delivery in fulfillment of an expiring futures, an IRS Clearing Member who carries an IRS Product account that is required to make or accept delivery on such expiring futures contract (CBOT Rules 54104.A, 54104.B., 54104.C., ~~and~~ 54104.D. and 54104.E.) shall guarantee and assume complete responsibility for the performance of all delivery requirements set forth in the Rules.

54104.GF. Clearing House Financial Safeguards

A futures contract made under these Rules shall be a Base Guaranty Fund Product subject to the Clearing House financial safeguards provided by the General Guarantee Fund (CME Rule 802.A.).

An IRS Contract that is delivered or accepted for delivery in fulfillment of a futures contract made under these Rules shall be an IRS Product subject to the Clearing House financial safeguards provided by the IRS Guaranty Fund (CME Rule 8G07.).