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September 5, 2008

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

RE: CBOT Market Regulation Advisory Notice RA0814-1
 CBOT Submission No. 08-137

Dear Mr. Stawick:

The Board of Trade of the City of Chicago, Inc. ("CBOT") hereby notifies the Commission that it will issue the following Market Regulation Advisory Notice on September 8, 2008: CBOT RA0814-1 ("Pre-Execution Communications Prohibited in CBOT Products"). The Advisory Notice is an updated version of CBOT Advisory Notice RA0802-1 from February 7, 2008. The Advisory Notice is being reissued in connection with the transition of the CBOT Metals contracts to NYSE Liffe on September 7, 2008, for trade date September 8, 2008, and eliminates references to former CBOT Rule 5B.13 and the Metals contracts in RA0802-1. No other substantive changes have been made to the Advisory Notice, a copy of which is attached.

CBOT certifies that this Advisory Notice complies with the Act and regulations thereunder.

If you have any questions regarding this matter, please contact Robert A. Sniagowski, Associate Director, Market Regulation Department, at 312.341.5991 or me at 312.648.5422. Please reference CBOT Submission #08-137 in any related correspondence.

Sincerely,

/s/ Stephen M. Szarmack
Director and Associate General Counsel

MARKET REGULATION ADVISORY NOTICE

Exchange	CBOT
Subject	Pre-Execution Communications Prohibited in CBOT Products
Rule References	CBOT Rule 539
Advisory Date	September 8, 2008
Advisory Number	CBOT RA0814-1

This Advisory Notice supersedes CBOT Market Regulation Advisory Notice RA0802-1 from February 7, 2008, and is being updated and reissued in connection with today's transition of the CBOT Metals contracts to NYSE Liffe. This updated Advisory Notice eliminates references to former CBOT Rule 5B.13 and the Metals contracts.

CBOT Rule 539 ("Prearranged, Pre-Negotiated and Noncompetitive Trades Prohibited") prohibits pre-execution communications in all CBOT products at all times, except as specifically permitted in connection with EFP, EFR or Block transactions.

This Advisory Notice does **not** apply to CME products traded on CME Globex. For information on the rules governing pre-execution communications in CME products executed on CME Globex please see the most recent CME Market Regulation Advisory Notice on pre-execution communications available on cmegroup.com via the following link: <http://www.cmegroup.com/rulebook/rulebook-harmonization.html>.

The text of CBOT Rule 539 appears below:

CBOT Rule 539

539.A. General Prohibition

No person shall prearrange or pre-negotiate any purchase or sale or noncompetitively execute any transaction, except in accordance with Section C. below.

539.B. Pre-Execution Communications Regarding Globex Trades Prohibited

Pre-execution communications are communications between two market participants for the purpose of discerning interest in the execution of a transaction prior to the entry of an order on the Globex platform. Pre-execution communications and transactions arising from such communications are prohibited in all products during all hours.

539.C. Exceptions

The foregoing restrictions shall not apply to block trades pursuant to Rule 526 or Exchange of Futures for Related Position transactions pursuant to Rule 538.

Member firms are encouraged to ensure that their traders, account executives, order entry personnel, direct access clients and customers are fully informed regarding CBOT Rule 539 as violation of the rule may result in disciplinary action by the Exchange.

Please see the Q&A beginning on page 2 for answers to frequently asked questions concerning the prohibition on pre-execution communications in CBOT products.

CBOT Q&A REGARDING PRE-EXECUTION COMMUNICATIONS

1. What is a pre-execution communication?

Pre-execution communications are communications between market participants for the purpose of discerning interest in the execution of a transaction prior to the exposure of the order to the market. Pre-execution communications involving CBOT products are prohibited at all times with respect to transactions executed in either the electronic or open outcry venue. This prohibition does not apply to privately negotiated transactions executed outside of the central market (i.e. EFP, EFR and Block trades).

2. If a customer has an interest in a particular transaction and requests a market, how can the salesperson obtain a market for the customer?

In the open outcry venue, a market would be requested from the trading pit. In the electronic venue, the salesperson identifies the bid/offer and depth of market posted on CME Globex. If the posted bid/offer is deemed too wide or insufficiently deep, it is recommended that a Request for Quote ("RFQ") be submitted. This action will typically generate additional interest and, in the case of products supported by a market-maker program, market makers are obliged to respond to a specified percentage of RFQs.

3. What if an RFQ is submitted and there is no response or an inadequate response in terms of the tightness or depth of the market?

In this circumstance, another RFQ should be submitted. With an active RFQ, it is also permissible to contact potential counterparties (i.e. market makers), alert them to the RFQ and ask them to submit a market or to tighten/deepen the existing market. An RFQ is considered active for 60 seconds following submission. To ensure that such communications do not become prohibited pre-execution communications, only the information disclosed via the RFQ may be disclosed in such communications.

4. If an order has been submitted on CME Globex, are there any restrictions on communicating with potential counterparties?

With a resting order exposed on CME Globex, it is permissible to contact potential counterparties to solicit interest in trading against the order. In any such communications, no non-public information (i.e. information not represented in the terms of the order exposed to the market) may be disclosed. For example, if the represented offer is for 250 contracts, it would be a violation of the rules to disclose that there are an additional 500 contracts to sell because that information has not been disclosed to the market.

5. Is it permissible to contact other market participants to obtain general market color?

Communications to obtain general market color are permissible provided there is no express or obviously implied arrangement to execute a specified trade and no non-public information is communicated regarding an order.

6. How should an order for a spread or combination not supported by CME Globex be handled?

CME Globex supports a wide array of strategies covering most of the spreads and combinations participants commonly trade. There are, however, some types of spreads or combinations that are not supported by CME Globex. Orders for an unsupported spread or combination must be legged on CME Globex or entered in the open outcry venue. RFQs can be submitted for the legs of the strategy to ascertain the levels at which the spread could possibly be legged.

7. Under what circumstances can orders be crossed on CME Globex?

In accordance with CBOT Rule 533 ("Simultaneous Buy and Sell Orders for Different Beneficial Owners"), *independently initiated* orders on opposite sides of the market for different beneficial account owners that are immediately executable against each other may be entered without delay provided that the orders did not involve pre-execution communications and that each of the orders is entered immediately upon receipt.

Opposite orders for different beneficial accounts that are simultaneously placed by a party with discretion over both accounts may be entered provided that one order is exposed on CME Globex for a minimum of 5 seconds in the case of futures orders and a minimum of 15 seconds in the case of orders involving options.

An order allowing for price and/or time discretion, if not entered immediately upon receipt, may be knowingly entered opposite a second order entered by the same firm only if the second order has been entered immediately upon receipt and has been exposed on CME Globex for a minimum of 5 seconds for futures orders and a minimum of 15 seconds for orders involving options.

8. Assuming there have been no pre-execution communications, is it permissible for a firm to knowingly trade for its proprietary account against a customer order entered by the firm?

Yes, provided that in accordance with CBOT Rule 531 ("Trading Against Customers' Orders Prohibited") the customer order has been entered immediately upon receipt and has first been exposed on CME Globex for a minimum of 5 seconds for futures orders and a minimum of 15 seconds for orders involving options.

Questions regarding this advisory may be directed to the following individuals in Market Regulation:

Kathleen Zaino, Associate Director, 312.435.3577
Robert Sniegowski, Associate Director, 312.341.5991