

SECURITIES AND EXCHANGE COMMISSION  
(Release No. 34-56873; File No. SR-CBOT-2007-01)

November 30, 2007

Self-Regulatory Organization; Board of Trade of the City of Chicago, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Changes Relating to the Renumbering and Reorganization of Rules Relating to Listing Standards for Security Futures Products

Pursuant to Section 19(b)(7) of the Securities Exchange Act of 1934 (“Act”),<sup>1</sup> and Rule 19b-7 under the Act,<sup>2</sup> notice is hereby given that on November 1, 2007, the Board of Trade of the City of Chicago, Inc. (“CBOT®” or “Exchange”) filed with the Securities and Exchange Commission (“Commission”) the proposed rules described in Items I, II, and III below, which Items have been substantially prepared by the CBOT. The Commission is publishing this notice to solicit comments on the proposed rules from interested persons. The CBOT also has filed the proposed rules with the Commodity Futures Trading Commission (“CFTC”), together with a written certification under Section 5c(c) of the Commodity Exchange Act (“CEA”)<sup>3</sup> on October 25, 2007.

I. Self-Regulatory Organization's Description of the Proposed Rules

The proposed rule changes delete CBOT Rulebook Chapter 57 (Single Stock Futures) and Chapter 58 (Narrow-Based Stock Index Futures) in their entirety and substitute new CBOT Rulebook Chapter 34 (Single Stock Futures) and Chapter 35 (Narrow-Based Stock Index Futures). In addition, the proposed rule changes renumber current CBOT Regulations 431.07 (Customer Margins for Security Futures Positions Held in Futures Accounts) and 431.08

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<sup>1</sup> 15 U.S.C. 78s(b)(7).

<sup>2</sup> 17 CFR 240.19b-7.

<sup>3</sup> 7 U.S.C. 7a-2(c).

(Acceptable Margin for Security Futures and Treatment of Undermargined Accounts) as Rules 931 and 932.

The text of the proposed rule change is available on the Exchange's Web site (<http://www.cmegroup.com>), at the Exchange's principal office, and at the Commission's Public Reference Room.

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rules

The CBOT has prepared statements concerning the purpose of, and basis for, the proposed rules, burdens on competition, and comments received from members, participants, and others. The text of these statements may be examined at the places specified in Item IV below.

These statements are set forth in Sections A, B, and C below.

A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rules

1. Purpose

The CBOT has proposed to substitute new rulebook Chapters 34 and 35 for current Chapters 57 and 58, and to renumber current Regulations 431.07 and 431.08 as Rules 931 and 932 in connection with the adoption of a new rulebook for the CBOT as a result of the merger between the CBOT's former holding company, CBOT Holdings, Inc., and the former holding company of Chicago Mercantile Exchange Inc., CME Holdings Inc., to form the CME Group.<sup>4</sup> The CBOT is adopting a new rulebook, in order to harmonize its rules with those of Chicago Mercantile Exchange Inc. ("CME"), which utilizes the formatting and numbering system of the CME rulebook. New CBOT rulebook Chapters 34 and 35 mirror current CBOT Chapters 57 and

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<sup>4</sup> The CBOT certified its new rulebook to the CFTC on October 25, 2007, notifying the CFTC that most of its new rules would be implemented on November 29, 2007, including the proposed rule changes that are addressed in this filing.

58 in content, although the organization and numbering of the rules has changed. Several minor non-substantive changes have also been made, as follows: (1) all references to the “Clearing Services Provider” have been changed to the “Clearing House” to reflect the new relationship of the CME Clearing House to the CBOT post-merger; (2) all references to CBOT “regulations” have been changed to “rules” because the CBOT will no longer make any distinctions between Exchange “rules” and “regulations”; and (3) current Regulation 5702.01 and its parallel Regulation 5802.01 (Emergencies, Acts of God, Acts of Government) have been deleted as unnecessary since the CBOT is adopting a similar Rule in its new Chapter 7 (Delivery Facilities and Delivery Procedures) that applies generally to all CBOT products.<sup>5</sup> New Rules 931 and 932 are identical to current Regulations 431.07 and 431.08.

## 2. Statutory Basis

The Exchange has filed these proposed regulations pursuant to Section 19(b)(7) of the Act.<sup>6</sup> The CBOT believes that these rules, as renumbered and reorganized, continue to be authorized by, and consistent with, Section 6(b)(5) of the Act,<sup>7</sup> because they are designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, and to protect investors and the public interest.

### B. Self-Regulatory Organization's Statement on Burden on Competition

The CBOT does not believe that the proposed rule changes will impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. Since the proposed rule changes will permit the CBOT to provide a trading venue for security futures, these rules will serve to enhance and promote competition.

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<sup>5</sup> See CBOT Rule 701, as certified to the CFTC on October 25, 2007.

<sup>6</sup> 15 U.S.C. 78s(b)(7).

<sup>7</sup> 15 U.S.C. 78f(b)(5).

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rules Received from Members, Participants, or Others

The CBOT neither solicited nor received any written comments on the proposed regulations.

III. Date of Effectiveness of the Proposed Rules and Timing for Commission Action

Pursuant to Section 19(b)(7)(B) of the Act,<sup>8</sup> the proposed regulations became effective on October 26, 2007.<sup>9</sup> Within 60 days of the date of effectiveness of the proposed regulations, the Commission, after consultation with the CFTC, may summarily abrogate the proposed regulations and require that the proposed regulations be re-filed in accordance with the provisions of Section 19(b)(1) of the Act.<sup>10</sup>

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic comments:

- Use the Commission's Internet comment form (<http://www.sec.gov/rules/sro.shtml>); or
- Send an e-mail to [rule-comments@sec.gov](mailto:rule-comments@sec.gov). Please include File Number SR-CBOT-2007-01 on the subject line.

Paper comments:

- Send paper comments in triplicate to Nancy M. Morris, Secretary, Securities and Exchange Commission, 100 F Street, N.E., Washington, D.C. 20549-1090.

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<sup>8</sup> 15 U.S.C. 78s(b)(7)(B).

<sup>9</sup> The CBOT filed the proposed regulations with the CFTC, together with a written certification under Section 5c(c) of the CEA, 7 U.S.C. 7a-2(c), on October 25, 2007.

<sup>10</sup> 15 U.S.C. 78s(b)(1).

All submissions should refer to File Number SR-CBOT-2007-01. This file number should be included on the subject line if e-mail is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet Web site (<http://www.sec.gov/rules/sro.shtml>). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for inspection and copying in the Commission's Public Reference Room, 100 F Street, NE, Washington, DC 20549, on official business days between the hours of 10:00 a.m. and 3:00 p.m. Copies of such filing will also be available for inspection and copying at the principal office of the CBOT. All comments received will be posted without change; the Commission does not edit identifying personal information from submissions. You should submit only

information that you wish to make available publicly. All submissions should refer to File No. SR-CBOT-2007-01 and should be submitted on or before [insert 21 days from publication in the Federal Register].

For the Commission by the Division of Trading and Markets, pursuant to delegated authority.<sup>11</sup>

Florence E. Harmon  
Deputy Secretary

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<sup>11</sup> 17 CFR 200.30-3(a)(73).