

May 21, 2004

Ms. Jean A. Webb  
Secretary  
Commodity Futures Trading Commission  
Three Lafayette Center  
1155 21<sup>st</sup> Street, N.W.  
Washington, D.C. 20581

Reference File #2454.01  
Rule Certification

Dear Ms. Webb:

Pursuant to Commission Regulation 40.6(a), the Chicago Board of Trade (CBOT<sup>®</sup>) hereby submits the following:

- **Amendments to Regulations m1402.01, m1403.01, m1406.01, m1410.01, m1443.02, m1502.01, m1503.01, m1506.01, m1510.01 and m1543.02 per the attached texts (additions underlined; deletions bracketed).**

The referenced amendments concern CBOT mini-sized Silver and mini-sized Gold futures contracts. When these former MidAmerica Commodity Exchange contracts were converted into CBOT products in October, 2001, they retained their designation as "derivative" markets. (i.e., contracts settling to the settlement prices of another, "primary" market). The regulation changes will reclassify these contracts from derivative to primary market status (i.e., their settlement prices will no longer be dependent upon the settlement prices of any other market).

The CBOT intends to implement these amendments no sooner than one day after the Commission's receipt of this filing.

There were no opposing views concerning these amendments.

The CBOT certifies that these amendments comply with the Commodity Exchange Act and the rules thereunder.

Sincerely,

Paul Draths  
Vice President and Secretary

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Additions underlined; Deletions are bracketed.

mini-sized Silver

m1402.01 Application of Regulations – Futures transactions in mini-sized Silver futures shall be subject to the general rules of the Exchange as far as applicable and shall also be subject to the regulations contained in this chapter, which are exclusively applicable to trading in mini-sized [New York] Silver futures contracts.

[m1403.01 Derivative Markets - Settlement prices shall be set in accordance with this regulation consistent with the settlement prices of the primary market. Contract settlement prices shall be set equal to the settlement prices of the corresponding contracts of the primary market for such commodity. Where a particular contract has opened on the Exchange for which the primary market has established no settlement price, the Clearing Services Provider shall set a settlement price consistent with the spread relationships of other contracts; provided, however, that if the contract is not subject to daily price fluctuation limits then the settlement prices shall be set at the fair market value of the contract at the close of trading.]

m1406.01 Price Basis - All prices of Silver shall be basis New York, New York, or basis any other location designated by the [primary market] Exchange, in multiples of 10/100 of one cent per troy ounce. Contracts shall not be made on any other price basis.

m1410.01 Margin Requirements – Margin requirements shall be determined by the [Board] Exchange.

m1443.02 Issuance of Vault Receipts

After the silver has been placed in a regular vault, negotiable vault receipts shall be issued to its owners with the following information:

...

Receipts shall be lettered or numbered consecutively by each vault. Not two receipts shall bear the same letter or number. [No receipt shall be issued for more or less than one contract unit.]

...

## mini-sized Gold

m1502.01 Application of Regulations – Futures transactions in mini-sized Gold futures shall be subject to the general rules of the Exchange as far as applicable and shall also be subject to the regulations contained in this chapter, which are exclusively applicable to trading in mini-sized [New York] Gold futures contracts.

[m1503.01 Derivative Markets - Settlement prices shall be set in accordance with this regulation consistent with the settlement prices of the primary market. Contract settlement prices shall be set equal to the settlement prices of the corresponding contracts of the primary market for such commodity. Where a particular contract has opened on the Exchange for which the primary market has established no settlement price, the Clearing Services Provider shall set a settlement price consistent with the spread relationships of other contracts; provided, however, that if the contract is not subject to daily price fluctuation limits then the settlement prices shall be set at the fair market value of the contract at the close of trading.]

m1506.01 Price Basis - All prices of Gold shall be basis New York, New York, or basis any other location designated by the [primary market] Exchange, in multiples of \$0.10 (10 cents) per fine troy ounce. Contracts shall not be made on any other price basis.

m1510.01 Margin Requirements – Margin requirements shall be determined by the [Board] Exchange.

## m1543.02 Issuance of Vault Receipts

After the Gold has been placed in a regular vault, negotiable vault receipts shall be issued to its owners with the following information:

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Receipts shall be lettered or numbered consecutively by each vault. Not two receipts shall bear the same letter or number. [No receipt shall be issued for more or less than one contract unit.]