Chapter 401
S&P GSCI™ Commodity Index Futures

40100. SCOPE OF CHAPTER

This chapter is limited in application to futures trading in the S&P GSCI Commodity Index. The procedures for trading, clearing, settlement, and any other matters not specifically covered herein shall be governed by the rules of the Exchange.

40101. COMMODITY SPECIFICATIONS

Each futures contract shall be valued at $250.00 times the S&P GSCI Futures Price Index which corresponds to each contract. The S&P GSCI Commodity Index (GSCI) is a world-production-weighted, arithmetic average, of the prices of liquid exchange-traded physical commodity futures contracts which satisfy specified criteria. The S&P GSCI Commodity Index Futures Price Index is calculated as the fair value of the S&P GSCI Commodity Index futures for a specific contract month. The calculation of the futures price index is identical to the calculation of the GSCI, except that the futures price index incorporates no rolling forward of futures contracts and is quoted only until the expiration of the corresponding futures contract. For any January contract, the S&P GSCI Futures Price Index shall be determined using the prior year's index specifications. February through December contracts shall use the current year's specifications. The GSCI calculation and roll procedures are defined in the GSCI Policy Manual. [1]

40102. FUTURES CALL

40102.A. Trading Schedule[2]

Futures contracts shall be scheduled for trading during such hours and for delivery in such months as may be determined by the Board of Directors.

40102.B. Trading Unit

The unit of trading shall be $250.00 times the S&P GSCI Futures Price Index which corresponds to each futures contract. [3]

40102.C. Price Increments [4]

Bids and offers shall be quoted in terms of the S&P GSCI Futures Price Index which corresponds to each futures contract. The minimum fluctuation of the futures contract shall be .05 index points, equivalent to $12.50 per contract.

40102.D. Position Limits

A person shall not own or control more than 10,000 contracts net long or net short in all contract months combined. For positions involving options on S&P GSCI Commodity Index Futures, this rule is superseded by the option speculative position limit rule.

40102.E. Accumulation of Positions

For the purposes of this rule, the positions of all accounts directly or indirectly owned or controlled by a person or persons, and the positions of all accounts of a person or persons acting pursuant to an expressed or implied agreement or understanding, and the positions of all accounts in which a person or persons have a proprietary or beneficial interest, shall be cumulated.

40102.F. Exemptions

The foregoing position limits shall not apply to (1) bona fide hedge positions meeting the requirements of Regulation 1.3(z)(1) of the CFTC and the rules of the Exchange, (2) other positions exempted pursuant to Rule 559.

40102.G. Termination of Trading

Futures trading shall terminate on the eleventh business day of the contract month. [5]

[1] Revised April, 1996 May 1996.
[2] Revised December 2001.
[3] Revised May 1996.
[4] Revised May 1996; May 1999.
[5] Revised May 1996.

40102.H. Contract Modifications

Specifications shall be fixed as of the first day of trading of a contract. If any U.S. governmental agency or body issues an order, ruling, directive or law that conflicts with the requirements of these rules, such order, ruling, directive or law shall be construed to take precedence and become part of these rules, and all open and new contracts shall be subject to such government orders.

40102.I. Reserved

40103. SETTLEMENT PROCEDURES

Delivery under the S&P GSCI Commodity Index Futures contract shall be by cash settlement.

40103.A. Final Settlement Price [1]

The Final Settlement Price shall be determined on the eleventh business day of the contract month, or, if the S&P GSCI Futures Price Index which corresponds to the expiring contract is not scheduled to be published for that day, on the first preceding day for which the futures price index is scheduled to be published. The Final Settlement Price shall be based on a special quotation of the S&P GSCI Futures Price Index which corresponds to the expiring contract at the close of business on the eleventh business day of the contract month. This special quotation will consist of the S&P GSCI Futures Price Index which corresponds to the expiring contract calculated using the settlement prices of the component futures on that day, except as noted below.

If an exchange that a component or components of the futures price index is trading on is not open on the day of the Final Settlement Price because of a scheduled closing, then the contribution to the Final Settlement Price for the affected component or components shall be based on the settlement quotation of the first preceding trading day.

If a component contract month's settlement price is limit bid or offer on the settlement day, then that contract's contribution to the S&P GSCI Futures Price Index Final Settlement Price is deferred for up to ten additional business days. If subsequent to the settlement day the component commodity contract originally at limit trades at a price other than a limit bid or offer and settles at a non-limit bid or offer, then the price that shall be used as that contract's contribution to the S&P GSCI Futures Price Index Final Settlement Price shall be a price consistent with the minimum fluctuation for the commodity contract and shall be the settlement price for that day. If in the ten business days subsequent to the settlement day, the component commodity originally at limit fails to trade and settle at a price other than a limit bid or offer, the contract's settlement price on the tenth subsequent business day shall be used as the contract's contribution to the S&P GSCI Futures Price Index Final Settlement Price.

If a component contract month's settlement price on the day of regular calculation of the Final Settlement Price is unavailable because of an unanticipated and/or unannounced closure of component contract market, then the price of such component contract to be used in calculating the Final Settlement Price shall be the next available official settlement price.

40103.B. Final Settlement [2]

Clearing members holding open positions in an S&P GSCI Commodity Index futures contract at the time of termination of trading in that contract shall make payment to or receive payment from the Clearing House in accordance with normal variation performance bond procedures based on a settlement price equal to the Final Settlement Price.

40104. ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES

(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES)

40105. - 06. [RESERVED]

(End of Chapter 401)

[1] Revised May 1996.
[2] Revised June 1992.

INTERPRETATIONS & SPECIAL NOTICES RELATING TO CHAPTER 401

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