

## Chapter 111 Copper Futures

### 111.00 SCOPE

The provisions of these rules shall apply to all copper bought or sold for future delivery on the Exchange. As used in this Chapter, defined terms shall have the meanings ascribed to them in Chapter 7A, Metals Rules for Electronic Warrants.

### 111.01. DEFINITIONS

For the purpose of this chapter, the following terms shall have the meanings stated below;

"Contract Unit" shall mean twenty-five thousand (25,000) pounds.

### 111.02. CONTRACT UNIT FOR GRADE 1 COPPER

The seller shall deliver one Contract Unit of copper with a weight tolerance of 2% either higher or lower. Said delivery shall be made up exclusively of:

(a) Grade 1 electrolytic cathodes as specified in Rule **111.03**; and

(b) The product of one refiner as provided in Rule **111.04**

### 111.03. GRADE AND QUALITY SPECIFICATIONS

(1) The contract (basis) grade for the Grade 1 copper contract shall be Grade 1 Electrolytic Copper Cathodes (full plate or cut) and shall conform to the specifications (as to chemical and physical requirements) for Grade 1 Electrolytic Copper Cathode as adopted by the American Society for Testing and Materials (B115-00), or its latest revision.

(2) If the American Society for Testing and Materials adopts a change in the standard specifications for the aforementioned deliverable grade and such change is adopted and confirmed by the Exchange, copper conforming to the change so adopted, as well as copper conforming to the previous specifications, shall be eligible for delivery against the copper contract; provided, however, that the copper conforming to the previous specifications shall have been placed in a Licensed Warehouse prior to the date of the adoption and confirmation by the Exchange of the new specifications.

### 111.04. REQUIREMENTS RE: ORIGIN AND BRAND

All cathodes delivered must be the product of an Approved Producer on the official list of Approved Brands and Markings for delivery of cathodes current at the date of delivery of such cathodes (see Rule **111.08** for form of declaration of origin of cathodes).

### 111.05. DELIVERY MONTHS AND DAYS

During each calendar month (the "current calendar month"), the Exchange will make available for trading contracts that provide for delivery of Copper in the following months: 1) the current calendar month; 2) the next twenty three consecutive calendar months and; 3) any March, May, July, September, and December falling within a 60-month period beginning with the current month.

### 111.06. PRICES MULTIPLES FOR GRADE 1 COPPER CONTRACT

Prices shall be quoted in multiples of five one-hundredths of one cent per pound. Contracts made on any other basis are prohibited.

**111.07. WARRANTS**

After copper has been placed in a Licensed Warehouse, Warrants stating the brand of cathodes, the number of pieces and such other data as may be required by the Exchange, shall be immediately issued to its owners. Warrants shall be lettered or numbered consecutively by each warehouse and no two receipts shall bear the same letter or number. If letters are used, they must not exceed three (3) characters, and if used in combination with numbers, they must precede the numbers. The numbers must not exceed 7 digits. No Warrant shall be issued for more or less than one contract unit. The Exchange makes no representation respecting the authenticity, validity or accuracy of any document or instrument delivered pursuant to these Rules.

**111.08. DELIVERY AGAINST GRADE 1 COPPER CONTRACT**

(a) Copper may be delivered against the Grade 1 copper contract only from a Licensed Warehouse designated by the Exchange. The Exchange may from time to time add or eliminate Licensed Warehouses after notice to members. Said notice shall fix the time when such changes shall become effective. The addition or elimination of a Licensed Warehouse shall not be deemed to affect the amount of money to be paid or the grade or quality of the copper to be delivered upon Exchange contracts, and shall be binding upon all such contracts entered into before and after the adoption of such change, anything in these By-Laws to the contrary notwithstanding.

(b) Deliveries shall be made without any allowance for freight except as otherwise provided in this subsection (b).

(c) The Warrants shall reference a signed declaration of the Licensed Warehouse, as to the origin of the copper and the grade thereof; such declaration to be in the following form and maintained on file at the Licensed Warehouse.

This is to certify that the brand of of copper covered by Warrant #..... issued by ..... (Licensed Warehouse) is the product of ..... (Approved Producer) an approved refiner for delivery of cathodes against the Commodity Exchange, Inc., Grade 1 copper contract and conforming to the specifications for Grade 1 copper cathodes pursuant to the By-Laws and Rules of the Exchange.

The Seller shall provide sufficient information to the Licensed Warehouse to establish the brand and the quality of the Copper being delivered and if so requested the Licensed Warehouse is not required to issue a warrant for any such contract unit until such documentation has been provided.

(d) The receiver shall not be required to accept any tender varying more than 2% above or below twenty-five thousand (25,000) pounds.