

Chapter 111 Copper Futures

111100. SCOPE OF CHAPTER

This chapter is limited in application to Copper futures. The procedures for trading, clearing, delivery and settlement not specifically covered herein or in Chapter 7 shall be governed by the general rules of the Exchange.

The provisions of these rules shall apply to all copper bought or sold for future delivery on the Exchange.

The terms “seller” and “buyer” shall mean the seller of the physical product and the buyer of the physical product, respectively. Terms not specifically defined herein shall be defined in Chapter 7.

For purposes of these rules, unless otherwise specified, times referred to herein shall refer to and indicate New York time.

111101. CONTRACT SPECIFICATIONS

The contract for delivery on futures contracts shall be twenty-five thousand (25,000) pounds of copper with a weight tolerance of 2% either higher or lower and must be a brand approved by the Exchange.

Copper meeting all of the following specifications shall be deliverable in satisfaction of futures contract delivery obligations under this rule:

1. Eligible copper must consist of 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 (“A.S.T.M.”) B115-00 or its latest revision.

If the A.S.T.M. 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 futures contract; provided, however, that the copper conforming to the previous specifications shall have been placed in a Warehouse prior to the date of the adoption and confirmation by the Exchange of the new specifications.

2. Eligible copper must consist of any of the Exchange’s Brand marks, as provided in Chapter 7, current at the date of delivery of the contract, provided, however, a Warrant issued for copper shall be from a single Brand.
3. Copper may be delivered only from a Warehouse designated by the Exchange.
4. Deliveries shall be made without any allowance for freight.
5. The copper must be weighed by a Weighmaster. A Weight Certificate shall be issued by the Weighmaster.
6. Warehouse must declare that the copper meets the specifications for delivery in fulfillment of a Copper futures contract. Upon request from the Warehouse, the seller’s clearing member shall provide verification that the copper cathodes are a Brand meeting the specifications of the contract, unless received directly from the Producer of the Brand.
7. The electronic certificate shall reference a signed declaration of the 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 Warehouse.

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

111102. TRADING SPECIFICATIONS

Trading in Copper futures is regularly conducted in the following months: (1) the current calendar month; (2) the next twenty-three calendar months; and (3) any March, May, July, September and December falling within a 60-month period beginning with the current calendar

month. The number of months open for trading at a given time shall be determined by the Exchange.

111102.A. Trading Schedule

The hours for trading shall be determined by the Exchange.

111102.B. Trading Unit

The contract unit shall be twenty-five thousand (25,000) pounds.

111102.C. Price Increments

Prices shall be quoted in multiples of five one-hundredths of one cent per pound. Prices shall be quoted in dollars and cents per pound.

111102.D. Position Limits, Exemptions, Position Accountability and Reportable Levels

The applicable position limits and/or accountability levels, in addition to the reportable levels, are set forth in the Position Limit, Position Accountability and Reportable Level Table in the Interpretations & Special Notices Section of Chapter 5.

A Person seeking an exemption from position limits for bona fide commercial purposes shall apply to the Market Regulation Department on forms provided by the Exchange, and the Market Regulation Department may grant qualified exemptions in its sole discretion.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

111102.E. Termination of Trading

No trades in Copper futures deliverable in the current month shall be made after the third last business day of that month. Any contracts remaining open after the last trade date must be either:

- (A) Settled by delivery which shall take place on any business day beginning on the first business day of the delivery month or any subsequent business day of the delivery month, but no later than the last business day of the delivery month.
- (B) Liquidated by means of a bona fide Exchange for Related Position ("EFRP") pursuant to Rule 538. An EFRP is permitted in an expired futures contract until 12:00 p.m. on the business day following termination of trading in the expired futures contract. An EFRP which establishes a futures position for either the buyer or the seller in an expired futures contract shall not be permitted following the termination of trading of an expired futures contract.

111102.F. Special Price Fluctuation Limits

At the commencement of each trading day, the contract shall be subject to special fluctuation limits as set forth in Rule 589 and in the Special Price Fluctuation Limits Table in the Interpretations & Special Notices Section of Chapter 5.

111103.-107. [RESERVED]

111108. VALIDITY OF DOCUMENTS

The Exchange makes no representation respecting the authenticity, validity or accuracy of any document or instrument delivered pursuant to these rules.