

Chapter 113 Gold Futures

113.00 SCOPE

The provision of these rules shall apply to all gold 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.

113.01. DEFINITIONS

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

"Contract Unit" shall mean one hundred (100) troy ounces.

113.02. CONTRACT UNIT FOR GOLD

The seller shall deliver one Contract Unit of gold with a weight tolerance of 5% either higher or lower. Said delivery shall consist exclusively of:

(a) Each Contract Unit shall consist of either one (1) 100 troy ounce bar or three (3) one (1) kilo bars.

(b) Each Contract unit shall consist of gold made up of one or more of the officially listed brands or markings as provided in Rule 113.04, current at the date of delivery of such gold.

(c) Each bar of eligible gold must have the weight, fineness, bar number, and brand or hallmark clearly incised on the bar. The weight may be in troy ounces or grams. If the weight is in grams, it must be converted to troy ounces for documentation purposes by dividing the weight in grams by 31.1035 and rounding to the nearest one hundredth of a troy ounce. All documentation must show the weight in troy ounces.

113.03. GRADE AND QUALITY SPECIFICATIONS

Gold delivered under this Contract shall assay to a minimum of 995 fineness.

113.04. LISTING OF GOLD BRANDS

(a) The Exchange shall designate as Approved Producers those gold refiners whose gold bars shall be eligible in connection with deliveries of gold in fulfillment of an Exchange contract for gold. Additional Approved Producers may be designated in the same manner from time to time. The Exchange may also terminate the designation of a gold refiner at any time as an Approved Producer, and from and after the date of such termination gold produced by such refiners may not be placed in a Licensed Depository for delivery in fulfillment of an Exchange contract for gold. Neither the addition nor deletion of a gold refiner as an Approved Producer shall be deemed to affect the amount of money to be paid or the grade or quality of gold to be delivered in fulfillment of an Exchange contract for gold, and shall be binding upon all contracts entered into before as well as after the adoption of any such change, anything in these Rules to the contrary notwithstanding.

(b) Gold refiners, in order to have their gold brands registered as eligible, shall file such documents as required by the Exchange in its sole discretion, to establish their qualifications..

113.05. LICENSED DEPOSITORIES FOR GOLD

The Exchange shall license facilities located within a 150 mile radius of the City of New York, in which gold may be stored for delivery on Exchange contracts ("Licensed Depositories"). Licensed Depositories may be added or eliminated from time to time, and the Exchange shall notify members of such changes and of the time when such changes shall become effective. The addition to or elimination of the names of Licensed Depositories shall not be deemed to affect the amount of money to be paid or the grade or quality of gold to be delivered on Exchange contracts, and shall be binding upon all such contracts entered into before as well as after the effective date of any such change, anything in the By-Laws to the contrary notwithstanding. Each Licensed Depository for gold shall also be designated as a Licensed Weighmaster for gold. Other Licensed Weighmasters may be licensed by the Exchange.

113.06. APPROVED CARRIERS

The Exchange shall designate as Approved Carriers of gold, firms which are authorized to transport and deliver gold to Licensed Depositories.

113.07. APPROVED ASSAYERS

The Exchange shall designate as Approved Assayers firms whose assay certificates shall be accepted in connection with deliveries of gold in fulfillment of an Exchange contract for gold.

113.08. WEIGHT CERTIFICATES AND ASSAY CERTIFICATES FOR GOLD

(a) Every Warrant issued by a Licensed Depository for a lot of gold tendered for delivery upon an Exchange contract shall reference the weight certificate issued by an Exchange Licensed Weighmaster certifying the weight of each bar of gold in the lot and setting forth the serial number and the name of the Approved Producer of each bar.

(b) Every assay certificate issued by an Approved Assayer shall certify that each bar of gold in the lot assays not less than 995 fineness and weight of each bar and the name of the Approved Producer that produced each bar.

(c) The weighmaster's certificate issued by a Licensed Weighmaster shall show the weight of each bar of gold in the lot measured to 1/100 of a troy ounce (two decimal points). In accomplishing such measurement, each bar shall be weighed to the nearest 1/1000 of a troy ounce (three decimal points); weights of 4/1000 of a troy ounce or less shall be rounded down to the nearest 1/100 of a troy ounce and weights of 5/1000 of a troy ounce or more shall be rounded up to the nearest 1/100 of a troy ounce.

113.09. STORAGE OF GOLD

(a) Gold, to be eligible for delivery upon an Exchange contract must be delivered to a Licensed Depository by an Approved Carrier as follows:

(i) directly from an Approved Producer for the account of such Approved Producer or an Exchange Clearing Member;

(ii) directly from an Approved Assayer for the account of an Exchange Clearing Member; *provided*, that such gold is accompanied by an assay certificate of such Approved Assayer; or

(iii) directly from another Licensed Depository for the account of an Exchange Clearing Member; *provided*, that such gold was placed in such other Licensed Depository pursuant to paragraphs (i) or (ii) of this Rule 113.09(a).

(b) Warrants for gold shall be in negotiable form. Each Warrant (i) shall be lettered or numbered consecutively by the Licensed Depository issuing it and no two Warrants issued by any Licensed Depository 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 seven (7) digits); (ii) shall be issued for only one lot of gold; (iii) shall reference the Weight Certificate and, if required, Assay Certificate; (iv) shall specify the name of the

Approved Producer, serial number, weight and fineness of each bar in the lot. The Exchange may adopt regulations from time to time specifying the form and content of a Warrant for gold, but such regulation shall not render warehouse receipts issued prior thereto ineligible in connection with delivery on a gold contract.

113.10. DELIVERY MONTHS

During each calendar month (the "current calendar month"), the Exchange will make available for trading contracts that provide for delivery of gold in the following months: 1) the current calendar month; 2) the first calendar month following the current calendar month; 3) the second calendar month following the current calendar month; 4) each February, April, August, and October falling within a 23-month period beginning with the current month; and 5) each June and December falling within a 60-month period beginning with the current month.

113.11. PRICE FLUCTUATIONS FOR GOLD

Prices for gold on future delivery contracts shall be in multiples of ten cents (10 cents) per troy ounce. Contracts made on any other basis are prohibited.

113.11. DELIVERY OF GOLD

Gold may be delivered in fulfillment of an Exchange contract for gold only from a Licensed Depository. A Warrant issued by and signed on behalf of a Licensed Depository and referencing a Weight Certificate and, if required, an Assay Certificate and invoice shall be good delivery in fulfillment of an Exchange contract for gold and shall be deemed a liquidation of the contract in respect of which such delivery is made.

A Clearing Member to whom delivery is made in fulfillment of an Exchange contract for gold shall not be required to accept the same if the gold delivered weighs more than 5% above or below 100 troy ounces or is otherwise not in accordance with these Rules.

The Clearing Member to whom delivery is made shall at once make payment to the member making delivery by the electronic transfer of federal funds ("payment"). Payment shall be made upon the basis of the weight as certified in the weight certificate for the lot and the fineness of such gold up to 9999 fine as stamped on the bars.