

## **Chapter 10B**

### **Mini-Sized Corn Futures**

#### **10B00. SCOPE OF CHAPTER**

This chapter is limited in application to mini-sized Corn futures. The procedures for trading, clearing, inspection, delivery and settlement of mini-sized Corn futures, and any other matters not specifically covered herein or in Chapters 7 and 10 shall be governed by the general rules of the Exchange.

#### **10B01. CONTRACT SPECIFICATIONS FOR ALL CONTRACT MONTHS PRIOR TO MARCH 2019**

Each futures contract shall be for 1,000 bushels of No. 2 yellow corn at par, No. 1 yellow corn at 1½ cents per bushel over contract price, or No. 3 yellow corn at 1½ cents per bushel under contract price. Every delivery of corn may be made up of the authorized grades for shipment from eligible regular facilities provided that no lot delivered shall contain less than 1,000 bushels of any one grade from any one shipping station.

#### **10B01. CONTRACT SPECIFICATIONS (FOR ALL CONTRACT MONTHS COMMENCING WITH MARCH 2019 AND BEYOND)**

Each futures contract shall be for 1,000 bushels of No. 2 yellow corn at par, No. 1 yellow corn at 1½ cents per bushel over contract price, or No. 3 yellow corn at between 2 and 4 cents per bushel under contract price depending on broken corn and foreign material and damage grade factors. Every delivery of corn may be made up of the authorized grades for shipment from eligible regular facilities provided that no lot delivered shall contain less than 1,000 bushels of any one grade from any one shipping station.

#### **10B02. TRADING SPECIFICATIONS**

Trading in mini-sized Corn futures is regularly conducted in five months – December, March, May, July and September. The number of months open for trading at a given time shall be determined by the Exchange.

##### **10B02.A. Trading Schedule**

The hours for trading of mini-sized Corn futures shall be determined by the Exchange.

On the last day of trading in an expiring future, the close of the expiring future shall begin at 12 o'clock noon and trading shall be permitted thereafter for a period not to exceed one minute. Quotations made during this one minute period shall constitute the close.

##### **10B02.B. Trading Unit**

The unit of trading shall be 1,000 bushels of corn.

##### **10B02.C. Price Increments**

The minimum fluctuation for mini-sized Corn futures shall be 1/8 cent per bushel (\$1.25 per contract), including spreads.

##### **10B02.D. Daily Price Limits**

Daily price limits for mini-sized Corn futures are the same as those for standard-sized Corn futures on the same day.

##### **10B02.E. 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.

##### **10B02.F. Limit on Holdings of Registered and Outstanding Shipping Certificates –**

No person, at any time, shall own or control more than 600 registered and outstanding Corn Shipping Certificates issued by facilities designated by the Exchange as regular to issue shipping certificates for Corn. The 600 certificate maximum shall include mini-sized Corn certificates such that each mini-sized certificate represents the equivalent of one-fifth of a full-sized certificate.

If a person stops Corn certificates for delivery in a quantity that would cause such person to exceed the 600 certificate limit, the person must cancel, retender or sell the quantity of certificates in excess of 600 not later than the following business day.

**10B02.G. Termination of Trading**

No trades in mini-sized Corn futures deliverable in the current month shall be made after the business day preceding the 15th calendar day of that month. Any contracts remaining open after the last day of trading must be either:

- a. Settled by delivery no later than the second business day following the last trading day (tender on business day prior to delivery).
- b. Liquidated by means of a bona fide Exchange of Futures for Related Position, no later than the business day following the last trading day.

**10B03. SETTLEMENT PRICES**

Settlement prices of mini-sized Corn futures contracts shall be set equal to the settlement prices of the corresponding contracts in the primary market. Where a particular contract has opened on the Exchange for which the primary market has established no settlement price, the Clearing House 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.

**10B04. GRADES / GRADE DIFFERENTIALS  
FOR ALL CONTRACT MONTHS PRIOR TO MARCH 2019**

A futures contract for the sale of mini-sized Corn shall be performed on the basis of United States origin only upon written request by a taker of delivery at the time loading orders are submitted.

A contract for the sale of mini-sized Corn for future delivery shall be performed on the basis of the grades officially promulgated by the Secretary of Agriculture as conforming to United States Standards at the time of making the contract. If no such United States grades shall have been officially promulgated, then such contract shall be performed on the basis of the grades established by the Department of Agriculture of the State of Illinois, or the standards established by the Rules of the Exchange in force at the time of making the contract.

<b><u>CORN DIFFERENTIALS</u></b>	
No. 1 Yellow Corn (maximum 15% moisture)	at 1½ cents per bushel over contract price
No. 2 Yellow Corn (maximum 15% moisture)	at contract price
No. 3 Yellow Corn (maximum 15% moisture)	at 1½ cents per bushel under contract price

**10B04. GRADES / GRADE DIFFERENTIALS  
(FOR ALL CONTRACT MONTHS COMMENCING WITH MARCH 2019 AND  
BEYOND)**

A futures contract for the sale of mini-sized Corn shall be performed on the basis of United States origin only upon written request by a taker of delivery at the time loading orders are submitted.

A contract for the sale of mini-sized Corn for future delivery shall be performed on the basis of the grades officially promulgated by the Secretary of Agriculture as conforming to United States Standards at the time of making the contract. If no such United States grades shall have been officially promulgated, then such contract shall be performed on the basis of the grades established by the Department of Agriculture of the State of Illinois, or the standards established by the Rules of the Exchange in force at the time of making the contract.

<b>CORN DIFFERENTIALS</b>	
No. 1 Yellow Corn (maximum 15% moisture)	at 1½ cents per bushel over contract price
No. 2 Yellow Corn (maximum 15% moisture)	at contract price
No. 3 Yellow Corn (maximum 15% moisture)	at 2 cents per bushel under contract price if on account of broken corn and foreign material only (BCFM between 3.1 and 4%)
No. 3 Yellow Corn (maximum 15% moisture)	at 2 cents per bushel under contract price if on account of total damage only (total damage between 5.1 and 7%)
No. 3 Yellow Corn (maximum 15% moisture)	at 4 cents per bushel under contract price on account of both broken corn and foreign material (BCFM between 3.1 and 4%) and total damage (total damage between 5.1 and 7%).

**10B05. LOCATION DIFFERENTIALS  
(FOR ALL CONTRACT MONTHS PRIOR TO MARCH 2019)**

Corn for shipment from regular shipping stations located within the Chicago Switching District or the Burns Harbor, Indiana Switching District may be delivered in satisfaction of corn futures contracts at contract price, subject to the differentials for class and grade outlined above.

Corn for shipment from regular shipping stations located within the Lockport-Seneca Shipping District may be delivered in satisfaction of corn futures contracts at a premium of 2 cents per bushel over contract price, subject to the differentials for class and grade outlined above.

Corn for shipment from regular shipping stations located within the Ottawa-Chillicothe Shipping District may be delivered in satisfaction of corn futures contracts at a premium of 2½ cents per bushel over contract price, subject to the differentials for class and grade outlined above.

Corn for shipment from regular shipping stations located within the Peoria-Pekin Shipping District may be delivered in satisfaction of corn futures contracts at a premium of 3 cents per bushel over contract price, subject to the differentials for class and grade outlined above.

**10B05. LOCATION DIFFERENTIALS  
(FOR ALL CONTRACT MONTHS COMMENCING WITH MARCH 2019 AND BEYOND)**

Corn for shipment from regular shipping stations located within the Chicago Switching District or the Burns Harbor, Indiana Switching District may be delivered in satisfaction of mini-sized Corn futures contracts at contract price, subject to the differentials for class and grade outlined above.

Corn for shipment from regular shipping stations located within the Lockport-Seneca Shipping District may be delivered in satisfaction of mini-sized Corn futures contracts at a premium of 4.75 cents per bushel over contract price, subject to the differentials for class and grade outlined above.

Corn for shipment from regular shipping stations located within the Ottawa-Chillicothe Shipping District may be delivered in satisfaction of mini-sized Corn futures contracts at a premium of 6.25 cents per bushel over contract price, subject to the differentials for class and grade outlined above.

Corn for shipment from regular shipping stations located within the Peoria-Pekin Shipping District may be delivered in satisfaction of mini-sized Corn futures contracts at a premium of 8.75 cents per bushel over contract price, subject to the differentials for class and grade outlined above.

Corn for shipment from regular shipping stations located within the Havana-Grafton Shipping District may be delivered in satisfaction of Corn futures contracts at a premium of 10.25 cents per bushel over contract price, subject to the differentials for class and grade outlined above.

Corn for shipment from regular shipping stations located in the St. Louis-East St. Louis and Alton Switching Districts may be delivered in satisfaction of Corn futures contracts at a premium of 16.25 cents per bushel over contract price, subject to the differentials for class and grade outlined above.

**10B06. DELIVERY POINTS**

**FOR ALL CONTRACT MONTHS PRIOR TO MARCH 2019**

Corn shipping certificates shall specify shipment from one of the warehouses or shipping stations currently regular for delivery and located in one of the following territories:

- A. Chicago and Burns Harbor, Indiana Switching District - When used in these Rules, the Chicago Switching District will be that area geographically defined by Tariff ICC WTL 8020-Series and that portion of the Illinois Waterway at or above river mile 304 which includes the Calumet Sag Channel and the Chicago Sanitary & Ship Canal. When used in these Rules, Burns Harbor, Indiana Switching District will be that area geographically defined by the boundaries of Burns Waterway Harbor at Burns Harbor, Indiana which is owned and operated by the Indiana Port Commission.
- B. Lockport-Seneca Shipping District - When used in these Rules, the Lockport-Seneca Shipping District will be that portion of the Illinois Waterway below river mile 304 at the junction of the Calumet Sag Channel and the Chicago Sanitary & Ship Canal and above river mile 244.6 at the Marseilles Lock and Dam.
- C. Ottawa-Chillicothe Shipping District - When used in these Rules, the Ottawa-Chillicothe Shipping District will be that portion of the Illinois Waterway below river mile 244.6 at the Marseilles Lock and Dam and at or above river mile 170 between Chillicothe and Peoria, IL.
- D. Peoria-Pekin Shipping District - When used in these Rules, the Peoria-Pekin Shipping District will be that portion of the Illinois Waterway below river mile 170 between Chillicothe and Peoria, IL and at or above river mile 151 at Pekin, IL.

**10B06. DELIVERY POINTS**

**(FOR ALL CONTRACT MONTHS COMMENCING WITH MARCH 2019 AND BEYOND)**

Corn shipping certificates shall specify shipment from one of the warehouses or shipping stations currently regular for delivery and located in one of the following territories:

- A. Chicago and Burns Harbor, Indiana Switching District - When used in these Rules, the Chicago Switching District will be that area geographically defined by Tariff ICC WTL 8020-Series and that portion of the Illinois Waterway at or above river mile 304 which includes the Calumet Sag Channel and the Chicago Sanitary & Ship Canal. When used in these Rules, Burns Harbor, Indiana Switching District will be that area geographically defined by the boundaries of Burns Waterway Harbor at Burns Harbor, Indiana which is owned and operated by the Indiana Port Commission.
- B. Lockport-Seneca Shipping District - When used in these Rules, the Lockport-Seneca Shipping District will be that portion of the Illinois Waterway below river mile 304 at the junction of the Calumet Sag Channel and the Chicago Sanitary & Ship Canal and above river mile 244.6 at the Marseilles Lock and Dam.
- C. Ottawa-Chillicothe Shipping District - When used in these Rules, the Ottawa-Chillicothe Shipping District will be that portion of the Illinois Waterway below river mile 244.6 at the Marseilles Lock and Dam and at or above river mile 170 between Chillicothe and Peoria, IL.
- D. Peoria – Pekin Shipping District - When used in these Rules, the Peoria-Pekin Shipping District will be that portion of the Illinois Waterway below river mile 170 between Chillicothe and Peoria, IL and at or above river mile 151 at Pekin, IL.
- E. Havana-Grafton Shipping District - When used in these Rules, the Havana-Grafton Shipping District will be that portion of the Illinois Waterway below river mile 151 at Pekin, IL to river mile 0 at Grafton, IL.
- F. St. Louis-East St. Louis and Alton Switching Districts - When used in these Rules, St. Louis-East St. Louis and Alton Switching Districts will be that portion of the upper Mississippi River below river mile 218 at Grafton, IL and above river mile 170 at Jefferson Barracks Bridge in south St. Louis, MO.

**10B07. DELIVERIES BY MINI-SIZED CORN CERTIFICATES AND DELIVERY PAYMENT**

**10B07.A. Deliveries by Mini-Sized Corn Certificates**

Deliveries of CBOT mini-sized corn shall be made by delivery of mini-sized Corn Certificates created by the Exchange from Corn Shipping Certificates issued by Shippers designated by the Exchange as regular to issue Shipping Certificates for Corn, utilizing the Clearing House

electronic delivery system. In order to effect a valid delivery, each Certificate must be endorsed by the holder making the delivery, and transfer as specified above constitutes endorsement. Such endorsement shall constitute a warranty of the genuineness of the Certificate and of good title thereto, but shall not constitute a guaranty, by an endorser, of performance by the shipper. Such endorsement shall also constitute a representation that all premium charges have been paid on the commodity covered by the Certificate, in accordance with Rule 10B08.

Deliveries for Mini-Sized Corn futures contracts, commencing with the December 2012 contract, will be restricted to multiples of 5 Mini-Sized Corn futures contracts on all days on which deliveries may take place with the exception of the last intent day. On the last intent day there will be no restriction on the delivery Quantity.

Mini-sized Corn Certificates may not be cancelled for load-out. Upon the return of five (5) mini-sized Corn Certificates to the Exchange, a registered Corn Shipping Certificate will be delivered by the Exchange to the holder of the five (5) mini-sized Corn Certificates, utilizing the Clearing House electronic delivery system.

(Refer to Rule 713., Delivery Procedures.)

**10B07.B. Delivery Payment**

Delivery Payment shall be made utilizing the electronic delivery system via the Clearing House's online system. Delivery Payment will be made during the 6:45 a.m. collection cycle, or such other time designated by the Clearing House. Thus, the cost of delivery will be debited or credited to a clearing firm's settlement account. Buyers obligated to accept delivery must take delivery and make Delivery Payment and sellers obligated to make delivery must make delivery during the 6:45 a.m. settlement process, or such other time designated by the Clearing House, on the day of delivery, except on banking holidays when delivery must be taken or made and Delivery Payment made during the 6:45 a.m. settlement process, or such other time designated by the Clearing House, on the next banking business day. Adjustments for differences between contract prices and delivery prices established by the Clearing House shall be made with the Clearing House in accordance with its rules, policies and procedures.

**10B08. PREMIUM CHARGES**

To be valid for delivery on futures contracts, all shipping certificates covering mini-sized Corn must indicate the applicable premium charge. No shipping certificates shall be valid for delivery on futures contracts unless the premium charges on such corn shall have been paid up to and including the 18th calendar day of the preceding month, and such payment is endorsed on the shipping certificate. Unpaid accumulated premium charges at the posted rate applicable to the facility shall be allowed and credited to the buyer by the seller up to and including the date of delivery.

The premium charges on mini-sized Corn shall not exceed 16.5/100s of one cent per bushel per day.