Chapter 16E
Denatured Fuel Ethanol Forward Month Futures

16E00. SCOPE OF CHAPTER
This chapter is limited in application to Denatured Fuel Ethanol Forward Month Futures. The procedures for trading, clearing, and settlement not specifically covered herein or in Chapter 7 shall be governed by the general rules of the Exchange.

16E01. CONTRACT SPECIFICATIONS

16E01.A. Unit of Trade
The unit of trade shall be 14,500 gallons of Denatured Fuel Ethanol.

16E01.B. Hours
The Exchange shall determine the hours during which Denatured Fuel Ethanol Forward Month Futures may trade. Positions shall be initiated or closed out using off-exchange transactions.

16E01.C. Minimum Price Increments
Minimum price fluctuations shall be in multiples of one hundredth of one cent ($0.0001) per gallon which shall equal $1.45 per contract. Contracts shall not be made on any other price basis.

16E01.D. Months Cleared
Trading of Denatured Fuel Ethanol Forward Month Futures is regularly conducted in all twelve months, but shall be permitted in the current delivery month and any succeeding months. The number of months in which trade may occur shall be at the discretion of the Exchange.

16E01.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.

16E01.F. Last Trading Day
The last day of trading of Denatured Fuel Ethanol Forward Month Futures deliverable in the current delivery month shall be the final settlement day as prescribed in Rule 16E05.

16E01.G. Liquidation during the Delivery Month
After trading of Denatured Fuel Ethanol Forward Month Futures in the current delivery month has ceased, in accordance with Rule 16E01.F. of this chapter, outstanding contracts for such delivery shall be liquidated by cash settlement as prescribed in Rule 16E02.

16E02. DELIVERY
Delivery against Denatured Fuel Ethanol Forward Month Futures must be made through the Clearing House. Delivery under these rules shall be on the final settlement day (as described in Rule 16E05) and shall be accomplished by cash settlement.
Clearing members holding open positions in Denatured Fuel Ethanol Forward Month Futures at the time of termination of trading shall make payment to and receive payment through the Clearing House in accordance with normal variation settlement procedures based on a settlement price equal to the final settlement price (as described in Rule 16E03.).

16E03. FINAL SETTLEMENT PRICE AND DAILY SETTLEMENT DURING THE LAST MONTH OF TRADING
The final settlement price shall be determined on the final settlement day. The final settlement
price shall be the cumulative average of the settlement prices for the Denatured Fuel Ethanol futures contract following the Denatured Fuel Ethanol Forward Month Futures contract month for each trading day in the Denatured Fuel Ethanol Forward Month Futures contract month.

For example, final settlement for a May Denatured Fuel Ethanol Forward Month Futures would be the cumulative average of the daily settlement prices for the June Denatured Fuel Ethanol futures contract during the month of May.

Daily settlement during the last month of trading shall be the cumulative average of each settlement price of the corresponding CBOT Denatured Fuel Ethanol futures contract following the Denatured Fuel Ethanol Forward Month Futures contract month weighting the current day’s settlement price across each remaining trading day.

For example, the calculation of the daily settlement price for a May Denatured Fuel Ethanol Forward Month Futures on the third business day in May in a May with 20 trading days and with respective settlement prices for the corresponding June Denatured Fuel Ethanol futures at $2.00, $2.10, and $2.20 per gallon would weight the average of $2.00 and $2.10 ($2.05) at 2/20ths and weight the current day’s settlement of $2.20 at 18/20ths. In this example, settlement on the third day of trading in the final month of trade would be $2.185 per gallon.

16E04. **DAILY SETTLEMENT PRICE**

Daily settlement other than settlement on the final settlement day (as described in Rule 16E05.) or during the last month of trade shall be the settlement price for the CBOT Denatured Fuel Ethanol futures contract following the Denatured Fuel Ethanol Forward Month Futures contract month on that day.

16E05. **FINAL SETTLEMENT DAY**

The final settlement day shall be defined as the last business day of the contract month.

16E06. **DISPUTES**

All disputes between interested parties may be settled by arbitration as provided in the Rules.