

Chapter 60 Cheese Futures

6000. SCOPE OF CHAPTER

This chapter is limited in application to Cheese futures. In addition to this chapter, Cheese futures shall be subject to the general rules and regulations of the Exchange insofar as applicable.

For purposes of this chapter, unless otherwise specified, times referred to herein shall refer to and indicate Chicago time.

6001. CONTRACT SPECIFICATIONS

Each futures contract shall be valued at 20,000 times the USDA monthly weighted average price per pound in the U.S. for cheese.

6002. TRADING SPECIFICATIONS

6002.A. Trading Months and Hours

Futures contracts shall be scheduled for trading during such hours and final settlement in such months as may be determined by the Exchange.

6002.B. Trading Unit

The unit of trading shall be 20,000 pounds of cheddar cheese.

6002.C. Price Increments

Minimum price fluctuations shall be in multiples of \$0.0010 per pound.

6002.D. Daily Price Limits

There shall be no trading at a price more than \$0.075 per pound above or below the previous day's settlement price, except that there shall be no daily price limits in the spot month.

If any contract that is subject to a daily price limit settles on the limit bid or the limit offer, then the daily price limit shall be raised to \$0.15 per pound for all contracts subject to a daily price limit.

If, after the daily price limits have been increased to \$0.15 per pound, any contract that is subject to a daily price limit settles on the limit bid or the limit offer, then the daily price limit shall be raised to \$0.30 per pound for all contracts subject to a daily price limit.

If any contract that is subject to a daily price limit of \$0.30 does not settle at a limit bid or limit offer, without regard to market direction, the price limits shall revert to \$0.15 per pound the next Business Day.

If any contract that is subject to a daily price limit of \$0.15 does not settle at a limit bid or limit offer, without regard to market direction, the price limits shall revert to \$0.075 per pound the next Business Day.

6002.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.

6002.F. [Reserved]

6002.G. [Reserved]

6002.H. Termination of Futures Trading

Trading shall terminate on the Business Day immediately preceding the release date for the USDA monthly weighted average price in the U.S. for cheese.

6002.I. [Reserved]

6003. SETTLEMENT PROCEDURES

6003.A. Final Settlement

There shall be no delivery of cheese in settlement of this contract. All contracts open as of the termination of trading shall be cash settled based upon the USDA monthly weighted average price in the U.S. for cheese. The reported USDA monthly weighted average price for cheese uses both 40 pound cheddar block and 500 pound barrel prices.

6003.B-H. [Reserved]

6004.-08. [RESERVED]

(End Chapter 60)