Chapter 107
Aluminum Futures

107100. SCOPE OF CHAPTER
This chapter is limited in application to Aluminum 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 aluminum 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. For purposes of these rules, unless otherwise specified, times referred to herein shall refer to and indicate New York time.

107101. CONTRACT SPECIFICATIONS
The aluminum for delivery on the futures contract shall be twenty-five metric tons (25 MT) with a weight tolerance of 2% either higher or lower and must be of an Exchange approved brand. Aluminum meeting all of the following specifications shall be deliverable in satisfaction of futures contract delivery obligations under this rule:

Eligible aluminum must consist of primary aluminum meeting all of the requirements of the P1020A in the North American and International Registration Record entitled “International Designation and Chemical Composition Limits for Unalloyed Aluminum” (revised March 2007), or its latest revision. If the North American and International Registration Record adopts a change in the standard specifications for the aforementioned deliverable grade and such change is adopted and confirmed by the Exchange, aluminum conforming to the change so adopted, as well as aluminum conforming to the previous specifications if placed in an Exchange approved facility prior to the date of the adoption and confirmation by the Exchange of the new specifications, shall be deliverable against the Aluminum futures contract. A Certificate of Analysis must accompany all metal delivered into an Exchange approved facility.

Aluminum Futures is a duty unpaid contract. Eligible aluminum shall be either duty paid or duty unpaid.

Aluminum must conform to one of the following shapes:
   a. Sows weighing up to 787.5 kgs.;
   b. T-bars weighing up to 787.5 kgs.; or
   c. Ingots weighing from 9 kgs. to 26 kgs. Ingots are to be secured in bundles suitable for stacking not to exceed 2 metric tons (2 MT) per bundle. There is one smelter (heat) number per bundle.

Each warrant shall be made up exclusively of the deliverable grade in one of the shapes listed above and must derive from one smelter. The brand must be permanently marked on each piece of aluminum delivered in fulfillment of the contract. The cast number must be permanently marked on tbars and sows and labeled on each bundle of ingots of aluminum delivered in fulfillment of the contract.

1. Eligible aluminum must consist of any of the Exchange approved brand marks, as provided in Chapter 7, current at the date of delivery of the contract, provided, however, a warrant issued for aluminum shall be from a single approved brand.
2. Aluminum may be delivered only from an Exchange approved facility.
3. Deliveries shall be made without any allowance for freight.
4. The aluminum must be weighed by an Exchange approved weighmaster. A weight certificate shall be issued by an Exchange approved weighmaster.
5. An Exchange approved facility must declare that the aluminum meets the specification for delivery in fulfillment of an Aluminum futures contract. Upon request from the Exchange approved facility, the seller’s clearing member shall provide verification that the aluminum is of an Exchange approved brand meeting the specification of the contract, unless received directly from the producer of an Exchange approved brand.
6. The electronic certificate shall reference a signed declaration of the Exchange approved facility, as to the origin of the aluminum and the grade thereof; such declaration to be in the following form and maintained on file at the Exchange approved facility.
This is to certify that the brand of aluminum covered by Warrant #............. issued by ................. (Facility) is the product of .......... (Producer) an Exchange approved producer for delivery of aluminum against the Commodity Exchange, Inc., Aluminum futures contract and conforming to the specifications for P1020A pursuant to the rules of the Exchange.

7. Any insurance coverage for registered aluminum shall be the responsibility of the warrant holder.

107102. TRADING SPECIFICATIONS
Trading in Aluminum futures is regularly conducted in all calendar months. The number of months open for trading at a given time shall be determined by the Exchange.

107102.A. Trading Schedule
The hours of trading shall be determined by the Exchange.

107102.B. Trading Unit
The contract unit shall be twenty-five metric tons (25 MT).

107102.C. Price Increments
Prices shall be quoted in multiples of twenty-five cents ($0.25) per metric ton. Price shall be quoted in dollars and cents per metric tons.

107102.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.

107102.E. Termination of Trading
No trades in Aluminum 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 no earlier than the first business day of the delivery month or any subsequent business day of the delivery month and shall be completed no later than the last business day of the delivery month; or
(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.

107102.F. Special Price Fluctuation Limits
At the commencement of each trading day, the contract shall be subject to special price fluctuation limits as set forth in Rule 589 and the Special Price Fluctuation Limits Table in the Interpretations & Special Notes Section of Chapter 5.

107103.-107. [RESERVED]

107108. VALIDITY OF DOCUMENTS
The Exchange makes no representation respecting the authenticity, validity or accuracy of any document or instrument delivered pursuant to these rules.

107109. WARNING
Any market participant taking physical delivery is advised that this metal may contain crevices and hidden recesses holding entrapped moisture. The metal should be handled and processed with this possibility in mind. Entrapped moisture may cause an explosion if the metal is introduced into a melting-furnace without proper drying.