



## Special Executive Report

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**DATE:** September 30, 2022

**SER#:** 9068

**SUBJECT:** Clarification Amendments to the Lead Futures Contract

Effective Monday, October 17, 2022, and pending all relevant CFTC regulatory review periods, Commodity Exchange, Inc. ("COMEX" or "Exchange") will amend Rule 187101. ("Contract Specifications") of the Lead Futures contract (the "Contract") to explicitly state that the Contract is a duty unpaid contract and that metal eligible for delivery against the Contract may therefore be duty paid or duty unpaid.

Contract Title	Rulebook Chapter	Commodity Code
Lead Futures	<a href="#">187</a>	LED

Specifically, the Exchange is amending Rule 187101. to add language to codify COMEX's existing practice that lead eligible for delivery against the Contract may be duty paid or duty unpaid (collectively, the "Rule Amendments").

These Rule Amendments are administrative in nature and will have no operational impact on the Contract.

Exhibit A below provides the Rule Amendments in blackline format.

Please refer questions on this subject to:

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**Exhibit A**  
**COMEX Rulebook**  
**Chapter 187**  
**Lead Futures**  
(additions underscored)

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**187101. CONTRACT SPECIFICATIONS**

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

Eligible lead must be refined lead (minimum 99.970% purity) and meeting the chemical composition of either ASTM B29-03 (2009 Standard entitled "Standard Specification for Refined Lead (permitted grades: 99.97% and 99.995%), BS EN 12659:1999 Standard entitled "Lead and Lead Alloys-Lead (permitted grades: Material numbers PB970R, PB985R and PB990R), or GB/T 469-2005 Standard entitled "Lead Ingots" (permitted grades: 99.970%, 99.985%, 99.990% and 99.994%). Lead being placed on warrant must be accompanied by a Certificate of Analysis. The Certificate of Analysis shall indicate the brand and the chemical composition of the lead. If the aforementioned standards adopt a change in the standard specifications for the lead and such change is adopted and confirmed by the Exchange, lead conforming to the change so adopted, as well as lead conforming to the previous specifications if placed in a Warehouse prior to the date of the adoption, shall be deliverable against the Lead Futures contract.

**Lead Futures is a duty unpaid contract. Eligible lead shall be either duty paid or duty unpaid.**

Each warrant shall consist of lead of one brand and shall consist of ingots of one shape and size unless different shapes and sizes are needed for bundle stability. Each bundle shall not exceed 1.5 metric tons. The brand and grade reference must be marked on each bundle. The cast number must be marked on the bundle.

The lead must be weighed by a approved Weighmaster. A Weight Certificate shall be issued by the approved Weighmaster.

Warehouse is responsible to determine the eligibility of the metal and to meet the specification for delivery in fulfillment of a Lead futures contract. Upon request from the Warehouse, the seller's clearing member shall provide verification that the lead is of an approved Brand meeting the specification of the contract.

Any insurance coverage for Registered lead shall be the responsibility of the warrant holder.

[End of Rule.]