

SUBMISSION COVER SHEET

IMPORTANT: Check box if Confidential Treatment is requested

Registered Entity Identifier Code (optional): 17-358 (2 of 2)

Organization: Commodity Exchange, Inc. ("COMEX")

Filing as a: DCM SEF DCO SDR

Please note - only ONE choice allowed.

Filing Date (mm/dd/yy): 09/26/17 Filing Description: Amendments to the Daily Settlement Procedure Documents for Certain NYMEX and COMEX Metals Futures Contracts.

SPECIFY FILING TYPE

Please note only ONE choice allowed per Submission.

Organization Rules and Rule Amendments

- Certification § 40.6(a)
- Approval § 40.5(a)
- Notification § 40.6(d)
- Advance Notice of SIDCO Rule Change § 40.10(a)
- SIDCO Emergency Rule Change § 40.10(h)

Rule Numbers: See filing.

New Product

Please note only ONE product per Submission.

- Certification § 40.2(a)
- Certification Security Futures § 41.23(a)
- Certification Swap Class § 40.2(d)
- Approval § 40.3(a)
- Approval Security Futures § 41.23(b)
- Novel Derivative Product Notification § 40.12(a)
- Swap Submission § 39.5

Official Product Name:

Product Terms and Conditions (product related Rules and Rule Amendments)

- Certification § 40.6(a)
- Certification Made Available to Trade Determination § 40.6(a)
- Certification Security Futures § 41.24(a)
- Delisting (No Open Interest) § 40.6(a)
- Approval § 40.5(a)
- Approval Made Available to Trade Determination § 40.5(a)
- Approval Security Futures § 41.24(c)
- Approval Amendments to enumerated agricultural products § 40.4(a), § 40.5(a)
- "Non-Material Agricultural Rule Change" § 40.4(b)(5)
- Notification § 40.6(d)

Official Name(s) of Product(s) Affected: Rule Numbers:

September 26, 2017

VIA ELECTRONIC PORTAL

Mr. Christopher J. Kirkpatrick
Office of the Secretariat
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, N.W.
Washington, D.C. 20581

**Re: CFTC Regulation 40.6(a) Certification. Notification Regarding Amendments to the Daily Settlement Procedure Documents for Certain NYMEX and COMEX Metals Futures Contracts.
COMEX Submission No. 17-358 (2 of 2)**

Dear Mr. Kirkpatrick:

New York Mercantile Exchange, Inc. (“NYMEX”) and Commodity Exchange, Inc. (“COMEX”) (collectively, the “Exchanges”) are notifying the Commodity Futures Trading Commission (“CFTC” or “Commission”) that they are self-certifying amendments to the daily settlement procedure documents for certain NYMEX and COMEX metals contracts listed in the table below (the “Contracts”) effective Sunday, October 22, 2017 for trade date Monday, October 23, 2017.

The Exchanges are amending the daily settlement procedures for the Contracts to standardize the methodology and increase transparency and clarity of this process. The amendments will harmonize the manner in which the Contracts are settled. The implementation of a tiered structure to determine settlement prices based upon availability of trade information further demonstrates the Exchanges’ commitment to transparency and price discovery. In an effort to settle the Contracts using a standardized methodology, the Exchanges intend to use:

1. A volume weighted average price (“VWAP”) for the active contract month of the Contracts.
2. Volume weighted average calendar spread prices as the Tier 1 settlement criterion and active and actionable calendar spread bid and offers as Tier 2 criterion to derive settlement prices for all other months. Specifically, the Exchanges have designated precise volume levels for each futures contract upon which to base the VWAP of calendar spread transactions to reflect appropriate representation of significant trading in the product.

The current and amended daily settlement procedure documents are provided in Appendices A and B.

The Exchanges reviewed the designated contract market core principles (“Core Principles”) as set forth in the Commodity Exchange Act (“CEA”) and identified that the amendments to the daily settlement price procedure documents of the Contracts may have some bearing on the following Core Principles:

- **Prevention of Market Disruption:** The amendments reflect the Exchanges’ efforts to more effectively protect the market from large price fluctuations of the Contracts. The Exchanges believe that the amendments are consistent with this Core Principle requiring the Exchanges to maintain and promote an orderly market.
- **Availability of General Information:** The Exchanges will publish a Special Executive Report (“SER”) to advise the marketplace of these amendments. The SER will also be posted on the CME Group website.

- **Execution of Transactions:** The amendments will further enable the Exchanges to continue their current practice of providing a competitive, open, and efficient market mechanism for executing transactions.

Pursuant to Section 5c(c) of the Act and CFTC Regulation 40.6(a), the Exchanges hereby certify that the amendments comply with the Act, including all regulations under the Act. There were no substantive opposing views to this proposal.

The Exchanges certify that this submission has been concurrently posted on the Exchange's website at <http://www.cmegroup.com/market-regulation/rule-filings.html>.

Should you have any questions concerning the above, please contact the undersigned at (212) 299-2200 or via e-mail at CMEGSubmissionInquiry@cmegroup.com.

Sincerely,

/s/ Christopher Bowen
Managing Director and Chief Regulatory Counsel

Attachments: Appendix A: Current Daily Settlement Procedure Documents
Appendix B: Amended Daily Settlement Procedures

Appendix A

Current Daily Settlement Procedure Documents

(deletions struckthrough)

Gold Futures

Normal Daily Settlement

Active Month

The COMEX Gold futures (GC) active month is settled by CME Group staff based on trading activity on CME Globex between 13:29:00 and 13:30:00 Eastern Time (ET), the settlement period. The active month is the nearest base contract month that is not the current delivery month. The base months for Gold futures are February, April, June, August and December.

Gold futures active month roll schedule

Last notice day for:	New spot month:	New active month:
January (F)	February (G)	April (J)
March (H)	April (J)	June (M)
May (K)	June (M)	August (Q)
July (N)	August (Q)	December (Z)
November (X)	December (Z)	February (G)

Tier 1: If a trade(s) occurs on Globex between 13:29:00 and 13:30:00 ET, the settlement period, then the month settles to the volume-weighted average price (VWAP), rounded to the nearest tradable tick.

Tier 2: In the absence of outright trades during the settlement window, the active month settles to the midpoint of the market at 13:30:00 ET—provided that there is a two-sided market (both a bid and ask).

Tier 3: In the absence of a two-sided market at 13:30:00 ET, the last trade price (or prior settlement) in the active month is checked against any one-sided markets.

1. If the last trade price (or prior settlement in the case of no trades during the trade date) is below an active bid at 13:30:00 ET, then the contract settles to that respective bid price. If the last trade price (or prior settlement in the case of no trades during the trade date) is above an active ask at 13:30:00 ET, then the contract settles to that respective ask price.
2. If there are no active bids or asks at 13:30:00 ET, then the contract settles to the last trade price (or prior settlement in the case of no trades during the trade date).

All Other Months (non-active months)

CME Group staff settles all other contract months based on relevant spread relationships. The greatest weight is given to spreads traded in larger volumes later in the trading day.

In the absence of trading activity, settlements are determined using the bid/ask spreads on CME Globex. In the event that there is insufficient activity to make the above calculations, staff may rely on earlier data or other available market information to determine an appropriate settlement price.

Final Settlement

CME Group staff determines the settlement of the expiring Gold (GC) contract by following the regular daily settlement procedures *for non-active months*. The expiring contract, considered to be a non-active month, is settled based on relevant spread relationships on CME Globex throughout the 30 minute settlement period (for Deferred Months) up to expiration. Further information regarding these procedures can be found at the below link.

<http://www.cmegroup.com/trading/metals/files/daily-settlement-procedure-gold-futures.pdf>

Additional Details

Gold (GC) futures are physically delivered upon expiration. For additional details on delivery, please see the NYMEX Rulebook (**Chapter 113**):

<http://www.cmegroup.com/rulebook/NYMEX/1a/113.pdf>

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Silver Futures

Normal Daily Settlement

Active Months

The COMEX Silver futures (SI) active month is settled by CME Group staff based on trading activity on CME Globex between 13:24:00 and 13:25:00 Eastern Time (ET), the settlement period. The active month is the nearest base contract month that is not the current delivery month. The base months for Silver futures are March, May, July, September and December.

Silver futures active month roll schedule

Last notice day for:	New spot month:	New active month:
February (G)	March (H)	May (K)
April (J)	May (K)	July (N)
June (M)	July (N)	September (U)
August (Q)	September (U)	December (Z)
November (X)	December (Z)	March (H)

Tier 1: If a trade occurs on Globex between 13:24:00 and 13:25:00 ET, the settlement period, then the contract month settles to the volume-weighted average price (VWAP), rounded to the nearest \$0.001 per troy ounce.

Tier 2: In the absence of outright trades during the settlement window, the active month settles to the midpoint of the market at 13:25:00 ET—provided that there is a two-sided market (both a bid and ask).

Tier 3: In the absence of a two-sided market at 13:25:00 ET, the last trade price (or prior settlement) in the active month is checked against any one-sided markets.

1. If the last trade price (or prior settlement in the case of no trades during the trade date) is below an active bid at 13:25:00 ET, then the contract settles to that respective bid price. If the last trade

price (or prior settlement in the case of no trades during the trade date) is above an active ask at 13:25:00 ET, then the contract settles to that respective ask price.

2. If there are no active bids or asks at 13:25:00 ET, then the contract settles to the last trade price (or prior settlement in the case of no trades during the trade date).

All Other Months (non-active months)

CME Group staff settles all other contract months based on relevant spread relationships. The greatest weight is given to spreads traded in larger volumes later in the trading day.

In the absence of trading activity, settlements are determined using the spread bids/asks on CME Globex. In the event that there is insufficient activity to make the above calculations, staff may rely on earlier data or other available market information to determine an appropriate settlement price.

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Final Settlement Calculation for Expiring Contract

CME Group staff determines the settlement of the expiring Silver (SI) contract by following the regular daily settlement procedures for *non-active months*. The expiring contract, considered to be a non-active month, is settled based on relevant spread relationships on CME Globex throughout the 30 minute settlement period (for Deferred Months) up to expiration. Further information regarding these procedures can be found at the below link.

http://www.cmegroup.com/trading/metals/files/daily_settlement_procedure_silver_futures.pdf

Additional Details

Silver (SI) futures are physically delivered upon expiration. For additional details on delivery, please see the NYMEX Rulebook (**Chapter 112**):

<http://www.cmegroup.com/rulebook/NYMEX/1a/112.pdf>

Copper Futures

Normal Daily Settlement Procedure

CME Group staff determines the daily settlement in the COMEX Copper *Active Month based on trading activity on CME Globex between 12:59:00 and 13:00:00 Eastern Time (ET), the *Active Month settlement period.

Active Month

The designated *Active Month is the nearest of the contract months listed below:

Copper (HG) Active Months
March (H)
May (K)
July (N)
September (U)
December (Z)

*The Active Month becomes a non-active month once it becomes the spot month. For instance, in

November, the December contract will be considered the active month. However, once the November contract expires, the December contract becomes the spot month (and is considered non-active), and the March contract becomes the active month.

The designated *Active Month is settled according to the following procedure:

Tier 1: The *Active Month settles to the volume-weighted average price (VWAP) of the outright between 12:59:00 and 13:00:00 ET, the settlement period, rounded to the nearest tradable tick following normal rounding conventions.

Tier 2: If there is no VWAP, then the last trade price is checked against the current bid/ask.

1. If the last trade price is outside of the bid/ask spread, then the contract settles to the nearest bid or ask price.
2. If the last trade price is within the bid/ask spread or if a bid/ask is not available, then the contract settles to the last trade price.

Tier 3: If there is no last trade price available, then the prior settle is checked against the current bid/ask.

1. If the prior settle is outside of the bid/ask spread, then the contract settles to the nearest bid or ask price.
2. If the prior settle is within the bid/ask spread or if a bid/ask is not available, then the contract settles to the prior settlement price.

All Other Months

Deferred contract months consist of all months other than the *Active Month and settle according to the following procedure:

Tier 1: All months other than the designated *Active Month will settle based upon the VWAP of calendar spread transactions executed on CME Globex between 12:30:00 – 13:00:00 ET, the Deferred Month settlement period.

Tier 2: In the absence of relevant calendar spread trades, bids and asks in those calendar spreads will be used in conjunction with settlements from any months where a settlement price has been determined to form an implied market in the contract to be settled. These implied markets, along with the outright bid/ask market for the contract, will be used to derive the best possible bid and the best possible ask. The contract will settle at the midpoint of the implied bid/ask spread.

Tier 3: In the absence of an implied best bid/best ask that meets reasonability thresholds, the net change of the previous contract month will be applied to determine the contract's settlement price. However, if a contract is initially settled to the net change of the previous month and there are posted markets at 13:00:00 ET in one or more calendar spreads with that contract as the nearby leg, then the settlement price will be adjusted on a subsequent iteration based upon the implied best bid/best ask of those calendar spreads, provided that the bid/ask spread is within the bid/ask reasonability threshold listed below.

Tier 4: If the settlement price in a deferred month created by using the “net change” method described above violates a bid or an ask in a calendar spread or in the deferred month itself that could otherwise be honored, the settlement price for that deferred month will be adjusted to honor that bid or ask. If not all spread bids or asks can be honored in this way, precedence will be given to the tightest bid/ask markets.

Product	Maximum Spread Bid/Ask
Copper (HG)	10 Ticks

Final Settlement Calculation for Expiring Contract

CME Group staff determines the settlement of the expiring Copper (HG) contract by following the regular daily settlement procedures for *non-active months*. The expiring contract, considered to be a non-active month, is settled based on relevant spread relationships on CME Globex throughout the 30 minute settlement period (for Deferred Months) up to expiration. Further information regarding these procedures can be found at the below link.

<http://www.cmegroup.com/trading/metals/files/daily-settlement-procedure-copper-futures.pdf>

Additional Details

Copper (HG) futures are physically delivered upon expiration. For additional details on delivery, please see the NYMEX Rulebook (**Chapter 111**):

<http://www.cmegroup.com/rulebook/NYMEX/1a/111.pdf>

Platinum Futures

Normal Daily Settlement

NYMEX Platinum futures (PL) are settled by CME Group staff based on trading activity on CME Globex between 13:03:00 and 13:05:00 Eastern Time (ET), the settlement period.

Active Month

The active month is the nearest of the contract months listed below:

Platinum (PL) Active Months
January (F)
April (J)
July (N)
October (V)

Tier 1: The active contract month settles to the volume-weighted average price (VWAP) of the trades executed on CME Globex between 13:03:00 and 13:05:00 ET, the settlement period, rounded to the nearest tradable tick.

Tier 2: If there is no VWAP, then the last trade price is checked against the current bid/ask.

1. If the last trade price is outside of the bid/ask spread, then the contract settles to the nearest bid or ask price.
2. If the last trade price is within the bid/ask spread or if a bid/ask is not available, then the contract settles to the last trade price.

Tier 3: If there is no last trade price available, then the prior settle is checked against the current bid/ask.

1. If the prior settle is outside of the bid/ask spread, then the contract settles to the nearest bid or ask price.
2. If the prior settle is within the bid/ask spread or if a bid/ask is not available, then the contract settles to the prior settlement price.

All other Months (Non-Active Months)

The active month becomes a non-active month once it becomes the spot month. For instance, in September, the October contract will be considered the active month. However, once the September contract expires, the October contract becomes the spot month (and is considered non-active), and the January contract becomes the active month.

CME Group staff settles all non-active months based on relevant spread relationships throughout the trading day. The greatest weight is given to spreads traded in larger volumes later in the trading day, up to 13:00:00 ET (the end of the settlement period).

In the absence of trading activity, settlements are determined using any relevant bid/ask information. In the event that there is insufficient activity to make the above calculations, staff may rely on earlier data or other available market information to determine an appropriate settlement price.

Final Settlement Calculation for Expiring Contract

CME Group staff determines the settlement of the expiring Platinum (PL) contract by following the regular daily settlement procedures for *non-active months*. The expiring contract, considered to be a non-active month, is settled based on relevant spread relationships on CME Globex throughout the 30-minute settlement period (for Deferred Months) up to expiration. Further information regarding these procedures can be found at the below link.

<http://www.cmegroup.com/trading/metals/files/daily-settlement-procedure-platinum-futures.pdf>

Additional Details

Platinum (PL) futures are physically delivered upon expiration. For additional details on delivery, please see the NYMEX Rulebook (**Chapter 105**):

<http://www.cmegroup.com/rulebook/NYMEX/1a/105.pdf>

Palladium Futures

Normal Daily Settlement

NYMEX Palladium futures (PA) are settled by CME Group staff based on trading activity on CME Globex between 12:58:00 and 13:00:00 Eastern Time (ET), the settlement period.

Active Month

The active month is the nearest of the contract months listed below:

Palladium (PA) Active Months
March (H)
June (M)
September (U)
December (Z)

Tier 1: The active contract month settles to the volume-weighted average price (VWAP) of the trades executed on CME Globex between 12:58:00 and 13:00:00 ET, the settlement period, rounded to the nearest tradable tick.

Tier 2: If there is no VWAP, then the last trade price is checked against the current bid/ask.

- ~~1. If the last trade price is outside of the bid/ask spread, then the contract settles to the nearest bid or ask price.~~
- ~~2. If the last trade price is within the bid/ask spread or if a bid/ask is not available, then the contract settles to the last trade price.~~

~~**Tier 3:** If there is no last trade price available, then the prior settle is checked against the current bid/ask.~~

- ~~1. If the prior settle is outside of the bid/ask spread, then the contract settles to the nearest bid or ask price.~~
- ~~2. If the prior settle is within the bid/ask spread or if a bid/ask is not available, then the contract settles to the prior settlement price.~~

All other Months (Non-Active Months)

~~The active month becomes a non-active month once it becomes the spot month. For instance, in November, the December contract will be considered the active month. However, once the November contract expires, the December contract becomes the spot month (and is considered non-active), and the March contract becomes the active month.~~

~~CME Group staff settles all non-active months based on relevant spread relationships throughout the trading day. The greatest weight is given to spreads traded in larger volumes later in the trading day, up to 13:00:00 ET (the end of the settlement period).~~

~~In the absence of trading activity, settlements are determined using any relevant bid/ask information. In the event that there is insufficient activity to make the above calculations, staff may rely on earlier data or other available market information to determine an appropriate settlement price.~~

Final Settlement Calculation for Expiring Contract

~~CME Group staff determines the settlement of the expiring Palladium (PA) contract by following the regular daily settlement procedures for *non-active months*. The expiring contract, considered to be a non-active month, is settled based on relevant spread relationships on CME Globex throughout the 30 minute settlement period (for Deferred Months) up to expiration. Further information regarding these procedures can be found at the below link.~~

~~<http://www.cmegroup.com/trading/metals/files/daily-settlement-procedure-palladium-futures.pdf>~~

Additional Details

~~Palladium (PA) futures are physically delivered upon expiration. For additional details on delivery, please see the NYMEX Rulebook (**Chapter 106**):~~

~~<http://www.cmegroup.com/rulebook/NYMEX/1a/106.pdf>~~

Appendix B

Amended Daily Settlement Price Procedure Documents

Effective on trade date Monday, October 23, 2017

Gold Futures Daily Settlement Procedure

Normal Daily Settlement Procedure

COMEX Gold futures (GC) are settled by CME Group staff based on trading activity on CME Globex during the settlement period. The settlement period is defined as: 13:29:00 to 13:30:00 ET for the Active Month and 13:15:00 to 13:30:00 ET for calendar spreads.

Active Month

The active month is the nearest of the contract months listed below that is not the spot month. The active month becomes a non-active month effective on its First Position Day.

Gold (GC) Active Months
April (J)
June (M)
August (Q)
December (Z)
February (G)

Tier 1: If a trade(s) occurs on Globex between 13:29:00 and 13:30:00 ET, the active month settles to the volume-weighted average price (VWAP), rounded to the nearest tradable tick.

Tier 2: If there is no VWAP, then the last trade price is checked against the 13:30 ET bid/ask.

1. If the last trade price is outside of the bid/ask spread, then the contract settles to the nearest bid or ask price.
2. If the last trade price is within the bid/ask spread or if a bid/ask is not available, then the contract settles to the last trade price.

Tier 3: If there is no last trade price available, then the prior settle is checked against the current bid/ask.

1. If the prior settle is outside of the bid/ask spread, then the contract settles to the nearest bid or ask price.

2. If the prior settle is within the bid/ask spread or if a bid/ask is not available, then the contract settles to the prior settlement price.

All Other Months

All non-active months settle per the following guidelines:

Tier 1: All months other than the designated active month will settle based upon the VWAP of accumulated calendar spread transactions totaling 25 contracts or more between 13:15:00 - 13:30:00 ET, the calendar spread settlement period. These calendar spreads will be used in conjunction with settlements from any months where a settlement price has been determined to form a VWAP in the contract month to be settled.

Tier 2: In the absence of relevant calendar spread trades, bid/asks in those calendar spreads will be used in conjunction with settlements from any months where a settlement price has been determined to form an implied market in the contract month to be settled. These implied markets will be used to derive the best possible bid and the best possible ask. Provided the implied bid/ask spread is consistent with reasonability thresholds as determined by the Global Command Center (GCC), the contract will settle within the implied bid/ask spread. Note- Efforts will be made to honor relevant resting bids and asks, but VWAP trades will take precedence.

Tier 3: In the absence of an implied bid/ask that meets reasonability thresholds, the net change of the previous contract month will be applied to determine the contract month's settlement price.

Tier 4: In the absence of relevant Globex data, the GCC, in its sole discretion, may consider block trade information for the derivation of settlements. All block trade information must be emailed to COMEXSETTLES@cmegroup.com before the end of the settlement window (13:30:00 ET on typical trade dates) to be considered for inclusion.

Final Settlement Calculation for Expiring Contract

CME Group staff determines the settlement of the expiring Gold (GC) contract by following the regular daily settlement procedures for *non-active months*. The expiring contract, considered to be a non-active month, is settled based on relevant spread relationships on CME Globex as indicated in the **All Other Months** section.

Additional Details

Gold (GC) futures are physically delivered upon expiration. For additional details on delivery, please see the NYMEX Rulebook (**Chapter 113**):

<http://www.cmegroup.com/rulebook/NYMEX/1a/113.pdf>

If you have any questions, please call the CME Global Command Center at 800.438.8616, in Europe at 44.800.898.013, or in Asia at 65.6532.5010.

Note: In the event the aforementioned calculations described in this advisory cannot be made or if staff, in its sole discretion, determines that anomalous activity yields results that are not representative of the fair value of the contract, the staff may determine an alternative settlement price.

Silver Futures Daily Settlement Procedure

Normal Daily Settlement Procedure

COMEX Silver futures (SI) are settled by CME Group staff based on trading activity on CME Globex during the settlement period. The settlement period is defined as: 13:24:00 to 13:25:00 ET for the Active Month and 13:10:00 to 13:25:00 ET for calendar spreads.

Active Month

The active month is the nearest of the contract months listed below that is not the spot month. The active month becomes a non-active month effective on its First Position Day.

Silver (SI) Active Months
May (K)
July (N)
September (U)
December (Z)
March (H)

Tier 1: The active contract month settles to the volume-weighted average price (VWAP) of the trades executed on CME Globex between 13:24:00 and 13:25:00 ET, the settlement period, rounded to the nearest tradable tick.

Tier 2: If there is no VWAP, then the last trade price is checked against the bid/ask.

- a. If the last trade price is outside of the bid/ask spread, then the contract settles to the nearest bid or ask price.
- b. If the last trade price is within the bid/ask spread or if a bid/ask is not available, then the contract settles to the last trade price.

Tier 3: If there is no last trade price available, then the prior settle is checked against the bid/ask.

- a. If the prior settle is outside of the bid/ask spread, then the contract settles to the nearest bid or ask price.
- b. If the prior settle is within the bid/ask spread or if a bid/ask is not available, then the contract settles to the prior settlement price.

All Other Months

All months other than the designated active month will settle per the following guidelines:

Tier 1: All months other than the designated active month will settle based upon the VWAP of accumulated calendar spread transactions totaling 25 contracts or more between 13:10:00 - 13:25:00 ET, the calendar spread settlement period. These calendar spreads will be used in conjunction with settlements from any months where a settlement price has been determined to form a VWAP in the contract month to be settled.

Tier 2: In the absence of relevant calendar spread trades, bid/asks in those calendar spreads will be used in conjunction with settlements from any months where a settlement price has been determined to form an implied market in the contract month to be settled. These implied markets will be used to derive the best possible bid and the best possible ask. Provided the implied bid/ask spread is consistent with reasonability thresholds as determined by the Global Command Center (GCC), the contract will settle within the implied bid/ask spread. Note- Efforts will be made to honor relevant resting bids and asks, but VWAP trades will take precedence.

Tier 3: In the absence of an implied bid/ask that meets reasonability thresholds, the net change of the previous contract month will be applied to determine the contract month's settlement price.

Tier 4: In the absence of relevant Globex data, the GCC, in its sole discretion, may consider block trade information for the derivation of settlements. All block trade information must be emailed to COMEXSETTLES@cmegroup.com before the end of the settlement window (13:25:00 ET on typical trade dates) to be considered for inclusion.

Final Settlement Calculation for Expiring Contract

CME Group staff determines the settlement of the expiring Silver (SI) contract by following the regular daily settlement procedures for *non-active months*. The expiring contract, considered to be a non-active month, is settled based on relevant spread relationships on CME Globex as indicated in the **All Other Months** section.

Additional Details

Silver (SI) futures are physically delivered upon expiration. For additional details on delivery, please see the NYMEX Rulebook (Chapter 112):

<http://www.cmegroup.com/rulebook/NYMEX/1a/112.pdf>

If you have any questions, please call the CME Global Command Center at 800.438.8616, in Europe at 44.800.898.013, or in Asia at 65.6532.5010.

Note: In the event the aforementioned calculations described in this advisory cannot be made or if staff, in its sole discretion, determines that anomalous activity yields results that are not representative of the fair value of the contract, the staff may determine an alternative settlement price.

Copper Futures Daily Settlement Procedure

Normal Daily Settlement Procedure

COMEX Copper futures (HG) are settled by CME Group staff based on trading activity on CME Globex during the settlement period. The settlement period is defined as: 12:59:00 to 13:00:00 ET for the Active Month and 12:30:00 to 13:00:00 ET for calendar spreads.

Active Month

The active month is the nearest of the contract months listed below that is not the spot month. The active month becomes a non-active month effective on its First Position Day.

Copper (HG) Active Months
March (H)
May (K)
July (N)
September (U)
December (Z)

Tier 1: The active contract month settles to the volume-weighted average price (VWAP) of the trades executed on CME Globex between 12:59:00 and 13:00:00 ET, the settlement period, rounded to the nearest tradable tick.

Tier 2: If there is no VWAP, then the last trade price is checked against the bid/ask.

- c. If the last trade price is outside of the bid/ask spread, then the contract settles to the nearest bid or ask price.
- d. If the last trade price is within the bid/ask spread or if a bid/ask is not available, then the contract settles to the last trade price.

Tier 3: If there is no last trade price available, then the prior settle is checked against the bid/ask.

- e. If the prior settle is outside of the bid/ask spread, then the contract settles to the nearest bid or ask price.
- f. If the prior settle is within the bid/ask spread or if a bid/ask is not available, then the contract settles to the prior settlement price.

All Other Months

All months other than the designated active month will settle per the following guidelines:

Tier 1: All months other than the designated active month will settle based upon the VWAP of accumulated calendar spread transactions between 12:30:00 - 13:00:00 ET, the calendar spread settlement period.

These calendar spreads will be used in conjunction with settlements from any months where a settlement price has been determined to form a VWAP in the contract month to be settled.

Tier 2: In the absence of relevant calendar spread trades, bid/asks in those calendar spreads will be used in conjunction with settlements from any months where a settlement price has been determined to form an implied market in the contract month to be settled. These implied markets will be used to derive the best possible bid and the best possible ask. Provided the implied bid/ask spread is consistent with reasonability thresholds as determined by the Global Command Center, the contract will settle within the implied bid/ask spread. Note- Efforts will be made to honor resting bids and asks, but VWAP trades will take precedence.

Tier 3: In the absence of an implied bid/ask that meets reasonability thresholds, the net change of the previous contract month will be applied to determine the contract month's settlement price.

Final Settlement Calculation for Expiring Contract

CME Group staff determines the settlement of the expiring Copper (HG) contract by following the regular daily settlement procedures for non-active months. The expiring contract, considered to be a non-active month, is settled based on relevant spread relationships on CME Globex throughout the 30 minute settlement period (for Deferred Months) up to expiration.

Additional Details

Copper (HG) futures are physically delivered upon expiration. For additional details on delivery, please see the NYMEX Rulebook (Chapter 111):

<http://www.cmegroup.com/rulebook/NYMEX/1a/111.pdf>

If you have any questions, please call the CME Global Command Center at 800.438.8616, in Europe at 44.800.898.013, or in Asia at 65.6532.5010.

Note: In the event the aforementioned calculations cannot be made or if CME Group staff, in its sole discretion, determines that anomalous activity produces results that are not representative of the fair value of the contract, staff may determine an alternative settlement price.

Platinum Futures Daily Settlement Procedure

Normal Daily Settlement Procedures

NYMEX Platinum futures (PL) are settled by CME Group staff based on trading activity on CME Globex during the settlement period. The settlement period is defined as: 13:03:00 to 13:05:00 ET for the Active Month and 12:35:00 to 13:05:00 ET for calendar spreads.

Active month

The active month is the nearest of the contract months listed below that is not the spot month. The active month becomes a non-active month effective on its First Position Day.

Platinum (PL) Active Months
January (F)
April (J)
July (N)
October (V)

Tier 1: The active contract month settles to the volume-weighted average price (VWAP) of the trades executed on CME Globex between 13:03:00 and 13:05:00 ET, the settlement period, rounded to the nearest tradable tick.

Tier 2: If there is no VWAP, then the last trade price is checked against the bid/ask.

- g. If the last trade price is outside of the bid/ask spread, then the contract settles to the nearest bid or ask price.
- h. If the last trade price is within the bid/ask spread or if a bid/ask is not available, then the contract settles to the last trade price.

Tier 3: If there is no last trade price available, then the prior settle is checked against the bid/ask.

- i. If the prior settle is outside of the bid/ask spread, then the contract settles to the nearest bid or ask price.
- j. If the prior settle is within the bid/ask spread or if a bid/ask is not available, then the contract settles to the prior settlement price.

All Other Months

All months other than the designated active month will settle per the following guidelines:

Tier 1: All months other than the designated active month will settle based upon the VWAP of accumulated calendar spread transactions between 12:35:00 - 13:05:00 ET, the calendar spread settlement period. These calendar spreads will be used in conjunction with settlements from any months where a settlement price has been determined to form a VWAP in the contract month to be settled.

Tier 2: In the absence of relevant calendar spread trades, bid/asks in those calendar spreads will be used in conjunction with settlements from any months where a settlement price has been determined to form an implied market in the contract month to be settled. These implied markets will be used to derive the best possible bid and the best possible ask. Provided the implied bid/ask spread is consistent with reasonability thresholds as determined by the Global Command Center, the contract will settle within the implied bid/ask spread. Note- Efforts will be made to honor resting bids and asks, but VWAP trades will take precedence.

Tier 3: In the absence of an implied bid/ask that meets reasonability thresholds, the net change of the previous contract month will be applied to determine the contract month's settlement price.

Final Settlement Calculation for Expiring Contract

CME Group staff determines the settlement of the expiring Platinum (PL) contract by following the regular daily settlement procedures for non-active months. The expiring contract, considered to be a non-active month, is settled based on relevant spread relationships on CME Globex throughout the 30 minute settlement period (for Deferred Months) up to expiration

Additional Details

Platinum (PL) futures are physically delivered upon expiration. For additional details on delivery, please see the NYMEX Rulebook (Chapter 105):

<http://www.cmegroup.com/rulebook/NYMEX/1a/105.pdf>

If you have any questions, please call the CME Global Command Center at 800.438.8616, in Europe at 44.800.898.013, or in Asia at 65.6532.5010.

Note: In the event the aforementioned calculations described in this advisory cannot be made or if staff, in its sole discretion, determines that anomalous activity yields results that are not representative of the fair value of the contract, the staff may determine an alternative settlement price.

Palladium Futures Daily Settlement Procedure

Normal Daily Settlement Procedure

NYMEX Palladium futures (PA) are settled by CME Group staff based on trading activity on CME Globex during the settlement period. The settlement period is defined as: 12:58:00 to 13:00:00 ET for the Active Month and 12:30:00 to 13:00:00 ET for calendar spreads.

Active month

The active month is the nearest of the contract months listed below that is not the spot month. The active month becomes a non-active month effective on its First Position Day.

Palladium (PA) Active Months
March (H)
June (M)
September (U)
December (Z)

Tier 1: The active contract month settles to the volume-weighted average price (VWAP) of the trades executed on CME Globex between 12:58:00 and 13:00:00 ET, the settlement period, rounded to the nearest tradable tick.

Tier 2: If there is no VWAP, then the last trade price is checked against the bid/ask.

- k. If the last trade price is outside of the bid/ask spread, then the contract settles to the nearest bid or ask price.
- l. If the last trade price is within the bid/ask spread or if a bid/ask is not available, then the contract settles to the last trade price.

Tier 3: If there is no last trade price available, then the prior settle is checked against the bid/ask.

- m. If the prior settle is outside of the bid/ask spread, then the contract settles to the nearest bid or ask price.
- n. If the prior settle is within the bid/ask spread or if a bid/ask is not available, then the contract settles to the prior settlement price.

All Other Months

All months other than the designated active month will settle per the following guidelines:

Tier 1: All months other than the designated active month will settle based upon the VWAP of accumulated calendar spread transactions between 12:30:00 - 13:00:00 ET, the calendar spread settlement period. These calendar spreads will be used in conjunction with settlements from any months where a settlement price has been determined to form a VWAP in the contract month to be settled.

Tier 2: In the absence of relevant calendar spread trades, bid/asks in those calendar spreads will be used in conjunction with settlements from any months where a settlement price has been determined to form an implied market in the contract month to be settled. These implied markets will be used to derive the best possible bid and the best possible ask. Provided the implied bid/ask spread is consistent with reasonability thresholds as determined by the Global Command Center, the contract will settle within the implied bid/ask spread. Note- Efforts will be made to honor resting bids and asks, but VWAP trades will take precedence.

Tier 3: In the absence of an implied bid/ask that meets reasonability thresholds, the net change of the previous contract month will be applied to determine the contract month's settlement price.

Final Settlement Calculation for Expiring Contract

CME Group staff determines the settlement of the expiring Palladium (PA) contract by following the regular daily settlement procedures for non-active months. The expiring contract, considered to be a non-active month, is settled based on relevant spread relationships on CME Globex throughout the 30 minute settlement period (for Deferred Months) up to expiration.

Additional Details

Palladium (PA) futures are physically delivered upon expiration. For additional details on delivery, please see the NYMEX Rulebook (Chapter 106):

<http://www.cmegroup.com/rulebook/NYMEX/1a/106.pdf>

If you have any questions, please call the CME Global Command Center at 800.438.8616, in Europe at 44.800.898.013, or in Asia at 65.6532.5010.

<p>Note: In the event the aforementioned calculations described in this advisory cannot be made or if staff, in its sole discretion, determines that anomalous activity yields results that are not representative of the fair value of the contract, the staff may determine an alternative settlement price.</p>
