



Via Portal Submission

January 9, 2025  
MIA X Futures DCM Submission No. 25-1

Mr. Christopher Kirkpatrick  
Secretary of the Commission  
Commodity Futures Trading Commission  
Three Lafayette Centre  
1155 21<sup>st</sup> Street NW  
Washington, DC 20581

**RE: Rule Certification Submission Pursuant to Regulation 40.6(a); Amendments to MIA X Futures Rules**

Dear Mr. Kirkpatrick:

Pursuant to Commodity Exchange Act (“CEAct”) Section 5c and Commodity Futures Trading Commission (“CFTC” or “Commission”) Regulation 40.6(a), the MIA X Futures Exchange, LLC (“MIA X Futures” or “Exchange”) hereby certifies that the proposed amendments to the MIA X Futures Rules as set forth in Exhibit A comply with the CEAct and the Commission regulations promulgated thereunder (the “Proposed Amendments”). MIA X Futures further certifies that the submission and pending changes to the MIA X Futures Rules have been posted on the Exchange website at the following link: <https://www.miaxglobal.com/markets/futures/miax-futures/rule-filings>.

### **Overview of Rule Amendments**

The Proposed Amendments permit market participants to utilize Block Trade functionality for Minneapolis HRSW Futures and Options contracts. The Proposed Amendments also delete Chapter 10 Sales “To Arrive” and Sales “For Shipment” and Chapter 13 Vessel Trading Rules For The Ports Of Duluth And Superior.

### **DCM Core Principles**

MIA X Futures has reviewed the Core Principles for designated contract markets (“DCM Core Principles”) and identified that the Proposed Amendments may impact the following DCM Core Principles:

- *DCM Core Principle 2 – Compliance with Rules:* The Exchange is responsible to establish, monitor, and enforce compliance with the rules of the Exchange. The Proposed Amendments establish rules for Block Trade transactions, which the Exchange will monitor and enforce. Additionally, the Proposed Amendments remove rules that are no longer utilized by the Exchange or market participants.
- *DCM Core Principle 4 – Prevention of Market Disruption:* The Exchange is responsible to prevent manipulation, price distortion, and disruptions of the delivery process through market surveillance, compliance, and enforcement practices and procedures. In accordance with this Core Principle, the Exchange’s Audits and Investigations Department will conduct monitoring and surveillance of Block Trades entered into the MIA X Futures Clearing System, and it will investigate any potential violations of the proposed Block Trade rules and enforce the same under the rules of the Exchange. Additionally, the Proposed Amendments include deletion of certain chapters related to the delivery process of physically settled commodities, which are no longer utilized by the marketplace and will not impact this Core Principle.

**MIA X FUTURES EXCHANGE, LLC**

400 South 4th Street, 130 Grain Exchange Building | Minneapolis, MN 55415

MIA X Futures | [miaxglobal.com](https://www.miaxglobal.com)

- *DCM Core Principle 7 – Availability of General Information:* The Proposed Amendments have been disseminated on the Company’s website, and will be available in the MIAX Futures Rulebook, which is accessible online.
- *Core Principle 9 – Execution of Transactions:* The Exchange is responsible to provide a competitive, open, and efficient market and mechanism for executing transactions that protects the price discovery process of trading on the Exchange. Accordingly, the Proposed Amendments include competitive pricing, non-disclosure, reporting, and other requirements for Block Trades to protect the price discovery process of the Minneapolis HRSW market.
- *Core Principle 10 – Trade Information:* The Exchange is responsible to maintain rules and procedures for recording trade information. In accordance with this Core Principle, Block Trade information will be recorded not inconsistent with other Ex-Pit transactions.
- *Core Principle 12 – Protection of Markets and Market Participants:* The Exchange is responsible to establish and enforce rules to protect markets and market participants from abusive practices and to promote fair and equitable trading on the Exchange. Accordingly, the Proposed Amendments specify fair, reasonable, and competitive pricing requirements, as well as reporting, non-disclosure, and other requirements for Block Trades, which may only be executed for bona fide legal or business purposes.

Pursuant to MIAX Futures Bylaw 3.1., the Proposed Amendments were approved on January 9, 2025. There were no substantive opposing views expressed with respect to this filing. The Proposed Amendments are to be effective when incorporated into the MIAX Futures Rulebook and posted on its website, which will be at least 10 business days following the date of this submission.

If there are any questions regarding this submission, please contact me at (612) 321-7141 or [cstuhlmann@miaxglobal.com](mailto:cstuhlmann@miaxglobal.com). Thank you for your attention to this matter.

Sincerely,



Carmen M. Stuhlmann  
Associate Counsel

## EXHIBIT A

The following MIAX Futures Rules are to be amended. Additions are underlined while deletions are ~~strikethrough~~.

### 3.4.1. PREARRANGED, PRE-NEGOTIATED, AND NONCOMPETITIVE TRADES PROHIBITED.

No Person shall prearrange or pre-negotiate any purchase or sale or noncompetitively execute any Futures or Options transaction, except as permitted by the provision below or in accordance with **Rule 3.4.2.**

The forgoing prohibition shall not apply to Exchange For Related Positions or Block Trade transactions executed pursuant to **Rule 3.8.1, 50.1.15., or 51.16.**

### 50.1.15. BLOCK TRADES.

For the purpose of this Rule, Block Trades are transactions that are privately negotiated off the Exchange's Electronic Trading System and can only be entered into by Eligible Contract Participants, as defined in Section 1a(18) of the Commodity Exchange Act. Clearing Members are responsible for ensuring Market Participants, including customer accounts, conducting Block Trades are Eligible Contract Participants.

Block Trades are permitted to be executed in the Minneapolis Hard Red Spring Wheat Futures Contract, provided they are in accordance with the following provisions:

- A. A Block Trade must be for a quantity that is at or in excess of the applicable minimum threshold. Orders for different accounts may not be aggregated in order to achieve the minimum transaction size. The Block Trade minimum threshold in the Minneapolis HRSW Futures Contract is 15 contracts.
- B. A Party shall not execute any order as a Block Trade for a customer unless such customer has specified that the order be executed as a Block Trade.
- C. The Block Trade is executed competitively at a price that is fair and reasonable in light of (A) the size of such Block Trade, (B) the price and size of other Trades in the same contract at the relevant time, and (C) the price and size of Trades in other relevant markets, at the relevant time. The minimum price increment for a Block Trade in the Minneapolis HRSW Futures Contract is 1/4 cent per bushel.
- D. Block Trades will not trigger conditional orders or otherwise affect orders in the underlying Minneapolis HRSW Futures Contract traded on the Electronic Trading System.
- E. Clearing Members must ensure that each side of the Block Trade is reported to the Exchange within fifteen (15) minutes and in the manner specified by the Exchange. The reporting of each side of the Block Trade must include the: contract, contract month, price, quantity of the transaction including quantities for each leg, buy/sell side, CTI and Regular (House) or Segregated (Customer) indicators, Transaction Type Indicator (B), account number, the respective

Clearing Member(s) code, the time of execution, and any other information required in accordance with MIAX Futures Rules.

- F. Each counterparty to a Block Trade must have a separate and independent bona-fide legal or business purpose for entering into the Block Trade.
- G. Parties involved in the solicitation or negotiation of a Block Trade may not disclose the details of such communication to any other party for any purpose other than to facilitate the execution of the Block Trade.

#### **51.16. BLOCK TRADES.**

For the purpose of this Rule, Block Trades are transactions that are privately negotiated off the Exchange's Electronic Trading System and can only be entered into by Eligible Contract Participants, as defined in Section 1a(18) of the Commodity Exchange Act. Clearing Members are responsible for ensuring Market Participants, including customer accounts, conducting Block Trades are Eligible Contract Participants.

Block Trades are permitted to be executed in the Minneapolis Hard Red Spring Wheat Options Contract, provided they are in accordance with the following provisions:

- A. A Block Trade must be for a quantity that is at or in excess of the applicable minimum threshold. Orders for different accounts may not be aggregated in order to achieve the minimum transaction size. The Block Trade minimum threshold in the Minneapolis HRSW Options Contract is 15 contracts.
- B. A Party shall not execute any order as a Block Trade for a customer unless such customer has specified that the order be executed as a Block Trade.
- C. The Block Trade is executed competitively at a price that is fair and reasonable in light of (A) the size of such Block Trade, (B) the price and size of other Trades in the same contract at the relevant time, and (C) the price and size of Trades in other relevant markets, at the relevant time. The minimum price increment for a Block Trade in the Minneapolis HRSW Options Contract is 1/8 cent per bushel.
- D. Block Trades will not trigger conditional orders or otherwise affect orders in the underlying Minneapolis HRSW Options Contract traded on the Electronic Trading System.
- E. Clearing Members must ensure that each side of the Block Trade is reported to the Exchange within fifteen (15) minutes and in the manner specified by the Exchange. The reporting of each side of the Block Trade must include the: contract, contract month, price, quantity of the transaction including quantities for each leg, buy/sell side, CTI and Regular (House) or Segregated (Customer) indicators, Transaction Type Indicator (B), account number, the respective Clearing Member(s) code, the time of execution, strike price, put or call designation, expiration month, and any other information required in accordance with MIAX Futures Rules.
- F. Each counterparty to a Block Trade must have a separate and independent bona-fide legal or business purpose for entering into the Block Trade.

B.G. Parties involved in the solicitation or negotiation of a Block Trade may not disclose the details of such communication to any other party for any purpose other than to facilitate the execution of the Block Trade.

## ~~CHAPTER 10. SALES "TO ARRIVE" AND SALES "FOR SHIPMENT"~~

~~1000.00. SALES "TO ARRIVE."~~ In sales "To Arrive," unless otherwise specified in the contract:

~~A. The Seller shall have twenty (20) days from date of sale (not including such date) in which to make delivery at destination; PROVIDED, however, that a definite date or period of delivery shall be specified in all contracts extending beyond twenty (20) days.~~

~~B. The Seller may apply on sale only commodities that have not been officially inspected on or before the date of sale and that have not had any previous transit stops or transit billing used in connection with their movement.~~

~~C. The Seller shall make application until the contract is filled, or until the estimated underdelivery is fewer than five hundred (500) bushels. The Buyer may refuse any application that would produce an estimated overdelivery of more than five hundred (500) bushels; but, if he does so, he must make settlement with the Seller on the basis of the then underdelivery. If there is an estimated underdelivery of more than five hundred (500) bushels, the Buyer may require the Seller to apply another application, even if such application would result in an estimated overdelivery of more than five hundred (500) bushels, and in such cases the Buyer must accept whatever overdelivery is thereby produced.~~

~~All overdeliveries and underdeliveries (unless otherwise agreed by the parties) shall be settled on the first business day following date of last unload on a basis over or under the futures month currently used for the majority of cash trades. To convert the basis the day after the last unload to a basis relative to the futures month currently used for the majority of the cash trades, the futures spread of the day after last unload shall be used.~~

~~If commodities are sold flat priced, settlement should be at the time the tolerance becomes known by both parties.~~

~~D. In case delivery on sales "To Arrive" has not been made within the specified time, the Buyer may, after making written demand for delivery, if delivery is not made by one (1) hour before the close of the market on the next business day, fill such sale by buying the property in the open market for the account of the Seller, or he may require settlement at the closing market price on such next business day, or he may declare the undelivered portion of the contract canceled. If the Buyer has not made such written demand for delivery, the contract shall remain in force and effect from day to day until such demand is made.~~

~~E. In case of strikes, insurrections, embargoes or other causes producing unavoidable delays, the extension of time of delivery shall be the number of days remaining on the original contract with a minimum of fourteen (14) calendar days.~~

**1001.00. SALES "FOR SHIPMENT".**

~~A. In making contracts for shipment, a specific time in which shipment is to be made shall be specified. Any given number of days shall mean calendar days and shall be reckoned from the day after full written or telegraphic shipping instructions are received by the Seller, exclusive of such day, and the following expressions shall have the meanings as indicated:~~

~~(1) "Immediate" Shipment Three days~~

~~(2) "Quick" Shipment Five days~~

~~(3) "Prompt" Shipment Ten days~~

~~B. "Loaded," "Spot" or "On Track" shall mean that the commodity is actually loaded and ready for shipment, and, unless otherwise specified, shipment shall be made on day of sale.~~

~~C. "In Transit" shall mean that the Bill of Lading must be dated at least one (1) day prior to the date of sale.~~

~~D. The expression "Week" (as used in "First Week," "Last Week" etc. shall mean seven (7) consecutive calendar days.~~

~~E. "First Half of the Month," including the month of February, shall mean the first fifteen (15) calendar days.~~

~~F. "Second Half of the Month," including the month of February, shall mean the remaining days of the month, beginning with the 16th.~~

~~G. When time of shipment is not specified, "Prompt" shipment shall be understood.~~

~~H. Unless the contract provides for "Buyer's Option," shipment shall be made at the "Seller's Option" within the time governed by the contract.~~

~~I. In all shipments of commodities, the date of issue of the Bill of Lading or release date, whichever is earlier, shall be conclusive evidence of the date of shipment, unless absolute evidence to the contrary shall be furnished.~~

~~J. If cars have been rebilled while in transit, the date of the original Bill of Lading shall be accepted as the original date of shipment.~~

~~K. All contracts for commodities "For Shipment" shall expire at midnight of the day of maturity of the contract. The Seller shall be allowed until four o'clock (4:00 p.m.) of the following business day after the day of maturity of contract for the delivery of car numbers showing before maturity of contract and the same must be accepted by the Buyer on contract up to this time.~~

~~L. Opening of river navigation in the Minneapolis-St. Paul area shall be seven o'clock (7:00 a.m.) on the first business day (excluding Saturday and Sunday) following the first northbound passage through Lock-Dam No. 2 of covered dry cargo barges originating at Burlington, Iowa, or south. In the event that ice or water conditions, which obstruct navigation north of Burlington, Iowa, should occur within thirty (30) days subsequent to the declared opening, the Board of Directors shall extend such opening for as many days as, in its opinion, such obstruction exists.~~

~~M. The opening of navigation shall be construed to mean the day of arrival in the Duluth-Superior harbor of the first vessel that has completed transit through both the St. Lawrence Seaway and the Welland Canal. In the event the first vessel completing transit through the Welland Canal does not proceed to Duluth-Superior the opening shall be not later than ten (10) days beginning 12:01 a.m. after said transit, PROVIDED the entrances to Duluth-Superior harbor are free from the obstruction of ice. However, if the entrances to the harbor are obstructed by ice at the time of first transit by a vessel through the St. Lawrence Seaway and Welland Canal, the Board of Directors shall delay the opening for as many days as, in its opinion, such obstruction exists.~~

~~In the event of ice returning in sufficient quantities to obstruct navigation either at the entrance or entrances to the Duluth-Superior harbor or in the channel to and from Lake Erie, or in the channels to and from Montreal and or the Welland Canal, then all contracts based on the opening of navigation shall be extended by declaration of the Board of Directors for as many days as, in its opinion, such obstruction exists.~~

~~For contract purposes when grain is sold with terms relating to opening of navigation and notwithstanding the official opening as described above, the Buyer shall have the right to call for cargo for a vessel that arrives in the Duluth-Superior harbor, PROVIDED that vessel completes transit through the Sault Sainte Marie Canal from Lake Erie ports.~~

#### **1002.00. RAIL BILLING INSTRUCTIONS.**

~~A. When grain is sold "loaded" the Buyer shall furnish billing instructions to a named destination to the Seller at the time of Trade or by 4:00 p.m. Central time, whichever is later.~~

~~B. When grain is sold other than loaded the Seller must notify the Buyer by 12:00 noon, Central Time that the cars are ready for loading and billing that day. The Buyer must by four o'clock (4:00 p.m.) Central Time on the same day furnish billing instructions to a named destination. On notification made after twelve o'clock (12:00) noon Central Time the Buyer has until ten o'clock (10:00 a.m.) Central Time the following day to furnish same. Saturday, Sunday and legal holidays are excluded.~~

~~C. When unit trains are sold for other than loaded shipment the Seller must notify the Buyer by 12:00 noon Central Time that the unit will be loaded and ready for billing within 24 hours. The Buyer must furnish billing to a named destination by 4:00 p.m. Central Time same day. On the same day. Notification made after 12:00 noon Central Time the buyer has until 10:00 a.m. Central Time the following~~

day to furnish same. Saturday, Sunday, and legal holidays are excluded. If a Seller notifies the Buyer by 12:00 noon Central Time on a Friday or a day preceding a holiday that a unit will be loaded on a Saturday, Sunday or legal holiday, the Buyer must furnish billing instructions to a named destination by 4:00 p.m. Central Time on the date of notification.

~~\_\_\_\_\_ D. \_\_\_\_\_ Should the Buyer fail to furnish billing instructions as specified in (a), (b), or (c) above, the Seller shall have the right to either (1) agree with the Buyer to extend the time allowed; or (2) after having given notice, sell the affected portion of the contract for the account of the Buyer; or (3) after having given notice, cancel the affected portion of the contract at fair market value.~~

~~\_\_\_\_\_ E. \_\_\_\_\_ In all cases where sales are made "Buyers Option," unless otherwise specified in the contract, the Seller shall be entitled to five (5) calendar days after receipt of billing instructions in which to make shipment.~~

~~\_\_\_\_\_ F. \_\_\_\_\_ In all cases where sales are made on a carrying charge basis, such charges are to cease on the day the grain is loaded, but in no case will carrying charges be assessed against the Buyer covering actual shipment taking place more than ten (10) calendar days after requested shipping date.~~

~~\_\_\_\_\_ G. \_\_\_\_\_ The word "notice," as used in this rule shall mean verbal communication when possible, and in all cases by wire or other rapid written communication.~~

#### ~~1003.00. SALES "FOR SHIPMENT": DEFAULTS.~~

~~In case the Seller defaults on a Sale "For Shipment," the Buyer, upon delivering a written or telegraphic notice to the Seller, shall have the right to (a) declare the unshipped portion of the contract canceled, or (b) to buy in the open market for account of the Seller a property equal in quantity to the unshipped portion and equal in quality to that contracted for or (c) to require settlement by the Seller of the unshipped portion at the market value; and, in any case, the Seller shall reimburse the Buyer for any proved direct loss sustained on account of failure to make shipment within contract time. If the Buyer fails to notify the Seller of his election of one of the foregoing settlements, the contract shall remain in force from day to day and all shipments made to apply on contract before notice of such election shall have been given to the Seller shall be accepted by the Buyer, and time, up to four o'clock (4:00 p.m.) of the following business day after giving of such notice, shall be allowed for the delivery of shipment made prior to the time such notice was given.~~

#### ~~1004.00. CONFIRMATION.~~

~~In any contract "To Arrive" or "For Shipment" both the Buyer and the Seller (not later than the next business day following the day the transaction is made) shall mail or deliver each to the other a Confirmation in writing, setting forth the full terms and conditions of the transaction. Upon receipt of said Confirmation, the parties thereto shall immediately notify the other party to the contract, verbally or by telegraph or telephone, and confirm in writing.~~

~~When such contracts are made through a nonresident Broker, it shall be the duty of the Broker (on the day the transaction is made) to send a written Confirmation to each of the principals, setting forth the terms and conditions of the transaction as made by him. Upon receipt of such Confirmation the parties thereto shall check all stipulations named therein and, upon finding any~~



differences, they shall immediately notify the other party to the contract, by wire or telephone, and confirm in writing. In default of such notice, the contract shall be filled in accordance with the terms of the Confirmation issued by the Broker.

#### **~~1005.00. SIZE OF CARS WHEN BUSHELS ARE SOLD.~~**

~~When bushels are sold and the size of cars to be loaded is not mentioned by the Buyer, it shall be the privilege of the Seller to load cars of a size suitable to his convenience; he, the Seller, to answer to the railroads for the fulfillment of their minimum weight requirements. Unless otherwise specified, open top rail cars and box cars do not apply.~~

#### **~~1006.00. DEPOSITS AS SECURITY: RIGHT TO REQUIRE.~~**

~~On contracts in cash commodities "To Arrive" or "For Shipment" or Delivery, purchasers shall have the right to require from Sellers, as security, deposits equal to ten (10) percent of the contract price, and further deposits from time to time to the extent of any advance above the contract price in the fair market value of the commodity named, and the shipment or delivery specified, in the contracts.~~

~~On all such contracts, Sellers shall have the right to require from Buyers a similar ten (10) percent deposit, and further deposits from time to time to the extent of any decline below the contract price in the fair market value of the commodity named, and the shipment or delivery specified, in the contract.~~

~~PROVIDED, however, that if the fair market value of the commodity named, for the shipment or delivery specified in the contract, has advanced above the contract price by an amount greater than ten (10) percent from the contract price, Sellers may not require of Purchasers any deposit authorized by this Rule, and similarly if such market value has declined ten (10) percent from the contract price, Purchasers may not require any similar deposit from Sellers.~~

#### **~~1007.00. DEPOSITS AS SECURITY: HOW MADE.~~**

~~Such deposits shall be in the form of a certified or cashier's check payable to the party making the call and delivered to the Secretary of this Company to be held in escrow by him. The Secretary shall issue receipts in duplicate, not transferable, for all such deposits, and deliver one of such receipts to each party to the contract. Such receipts shall state by whom the deposit was made, for whose security it is held, the contract or contracts against which it is applicable, and that the deposit has been made and is returnable or applicable in accordance with the MFE Rules, or decisions rendered pursuant thereto.~~

~~PROVIDED, however, that the depositor (in order to facilitate the return of a portion of the deposit as permitted by **Rule 1012.00.**) may at his option make the deposit in the form of two (2) checks, each for one half of the required deposit.~~

#### **~~1008.00. DEPOSITS AS SECURITY: TIME OF.~~**

~~Unless an appeal to the Board of Arbitration as to the amount of margins required has been taken (as provided in **Rule 1013.00.**), a party required to make a deposit of security shall have two (2) hours during regular banking business hours (Central Time), after receipt of the call for the deposit of security, within which time to make the required deposit.~~

#### ~~1009.00. DEPOSITS AS SECURITY: APPLICATION OF.~~

~~All such deposits shall be held to have been given as security for the faithful fulfillment of any contract or contracts made or to be made between the parties; PROVIDED, however, that it may be prudent for either party to a contract to demand that the receipt shall express the particular contract in connection with which deposit has been made, and in such case the deposit shall be applicable only to that contract. Such deposit shall be applied or returned by the Secretary as directed by both parties or by a final decision of the Board of Arbitration.~~

#### ~~1010.00. DEPOSITS AS SECURITY: FAILURE TO MAKE.~~

~~Any party who has failed, upon call, to make a deposit as required by **Rule 1008.00.** shall be deemed and held to have defaulted on the contract in connection with which it was called; and, in such case, the party who has called for such deposit shall thereupon have the right to buy or to sell (as the case may be) in the open market the undelivered portion due on such contract, or he may, by giving notice to the party in default, terminate the contract at the fair market price for the property, and the shipment or delivery specified in the contract at the time of the giving of such notice; and all differences between the contract price and the price at which the property has been bought or sold, or at which the contract has been terminated in consequence of such default, shall constitute the rule and measure of damages against the party in default. The party so buying or selling the undelivered balance, or so terminating the contract, may forthwith proceed against the party in default to collect or to enforce payment of all damages sustained by reason of such default.~~

#### ~~1011.00. NOTICES.~~

~~All calls for deposit, or notices of the closing of contracts because of default, shall be served in writing on the opposite party in person, or by leaving the same with a competent person at his usual place of business, or with his duly authorized representative, or by registered mail or telegram to his last known place of business; and a copy of all such calls and notices shall be given to the Secretary.~~

#### ~~1012.00. DEPOSITS AS SECURITY: RETURN OF.~~

~~If, after any particular deposit has been made, market conditions have adjusted themselves, or applications have been made on the contract so that none of that particular deposit (or a portion thereof, which has been covered by a separate check as permitted by **Rule 1007.00.**) could be required under the Rules, or if the contract or contracts to which the deposit is applicable has or have been filled or settled and all matters pertaining thereto adjusted, the party who required the deposit shall upon demand join in directing the Secretary to return the check (or checks) for such deposit (or for the excess portion thereof, as the case may be) to the depositor.~~

#### ~~1013.00. DISPUTES.~~

~~In case of any dispute or difference between the contracting parties as to the amount of margins required as security under this Rule, the Board of Arbitration shall be convened immediately upon the oral or written request of any party interested, made to the Secretary of the Company. The Board so convened, after notice of hearing to all parties in interest, shall proceed to decide the question submitted without delay or adjournment, unless by consent of all the parties.~~

~~The decision of the Board of Arbitration shall be conclusive upon the parties and shall be complied with within thirty (30) minutes after the announcement thereof.~~

~~In case of any dispute or differences between the contracting parties as to such contracts or the termination or settlement thereof, or as to the fair market value of the commodities for the delivery contracted for, or as to such deposits, or the deposition thereof, any or all such matters shall be decided by the Board of Arbitration in the same manner as in the case of any other dispute. Deposits shall be returned or applied by the Secretary in accordance with the terms of such a final decision or award.~~

#### ~~1014.00. DEPOSITS BY NONRESIDENT BUYERS.~~

~~In addition to the rights set forth in Rules 1006.00., 1007.00., 1008.00., 1009.00., 1010.00., 1011.00., 1012.00. and 1013.00., inclusive, the Seller shall have the right to require of nonresident Buyers, as security to be deposited with the Seller, a deposit of ten (10) percent based upon the contract price of the property sold and further security from time to time to the extent of any decline in the market value below said price. Deposits so made shall be applied on payment for property when shipped. Failure to deposit security as required within two (2) business days shall be considered a default, and the contract may be closed by sale on the open market of like quantity of property equal in quality to that called for in the contract period, twenty four (24) hours' notice of such intention having been given to the Buyer.~~

#### ~~1015.00. BARGE TRADING.~~

~~The following Rules shall apply to the shipment of grain, seeds, soybeans, or beans, hay and all "feedstuffs" whenever such shipments are designated by contract to be by barge.~~

##### ~~1. Barge:~~

- ~~a. The word "barge" shall mean a covered barge commonly used for carrying bulk grain or feedstuffs, which, without any weight or quantity reference, shall have no quantitative meaning insofar as these Rules apply.~~
- ~~b. No multiple compartment barge or equipment that cannot be unloaded by a marine leg or barges other than 195/200 by 35 feet shall be tendered on contract without the specific consent of both the Buyer and Seller.~~

##### ~~2. Weights and Inspection:~~

- ~~a. The term "official weight" shall be any weight that meets the requirements specified by the Federal Grain Inspection Service in its regulations implementing the United States Grain Standards Act including both Class X and Class Y weights.~~
- ~~b. The term "official/certified weights," unless otherwise specified, shall be the weights documented by a certificate issued by a disinterested supervisory agency. Weighing shall be performed by authorized persons under the supervision of the above agency.~~

~~c. If weights other than Official or Certified Weights are provided for in the contract of purchase and sale, the weighing party shall on request of the other party indicate the method of obtaining weights and such other information on the weighing process as the other party may reasonably request, including copies of supporting documentation.~~

~~d. Cargo transferred by truck or railroad to the loading barge after weighing in the elevator, or cargo weighed after the transfer to the elevator by truck or railroad from the barge being unloaded, shall not be considered officially/certifiably weighed.~~

~~e. Every official/certified barge unload weight certificate shall also include the statement that all cargo in the barge was unloaded and that no cargo was left in the barge unless so stated on said certificate.~~

~~f. In the event any portion of the barge cargo is not unloaded at the receiving elevator or at the receiving point the unloading Buyer must notify his Seller and the shipper within twenty four (24) hours or as soon thereafter as practicable.~~

~~g. **Grain:** When trade is based on destination weights, the unloading Buyer shall notify the original shipper of the final unload weights by telephone or telex within two (2) business days of unload, confirmed by mailing the original weight certificate to the original shipper, within five (5) business days of unload, accompanied by a statement covering the cost of weighing charges if applicable. The original shipper is then to make final settlement with the original weight certificate, or duplicate copy thereof, and all intermediate parties shall make final settlement with the original weight certificate or duplicate copy thereof. All invoices are due and payable within five (5) business days. (This is not an extension of credit, but only the normal time to clear paperwork involved, and the time can be changed by the contract.)~~

~~h. **Feedstuffs:** The ultimate Buyer shall render final settlements of weight and quality with the original weight certificates, or duplicate copy thereof, within ten (10) business days of unload. All intermediate parties shall make final settlement with the original weight certificate, or a duplicate copy thereof, within five (5) business days of receipt. (This is not an extension of credit but only the normal time to clear paperwork involved and the time can be changed by the contract.~~

~~i. **Official Inspection:** The term "Official Inspection" without specifying class shall mean Class A Official Inspection. Unless otherwise specified, Official Inspection shall include only official grading factors that are included in the U.S. Grain Standards Act.~~

~~j. When barge grain is sold basis destination inspection, it shall be the obligation of the Buyer to obtain said inspection within five (5) calendar days of the date of arrival of the barge. When the barge cannot be opened for inspection away from the unload berth because of faulty equipment on the~~

barge, it shall be the obligation of the Buyer to so notify the Seller within the inspection period specified herein.

~~k. **Certificate of Analysis:** When the contract guarantees a specific analysis on the feedstuffs being shipped, the contract must specify whether a certificate of analysis is required, and, if so, the certificate of analysis must specify the name of the laboratory rendering the certificate, the method of sampling used, when and where the sample was taken and the percentage of each factor for which there is a contractual requirement.~~

~~l. **Weights and Quality/Condition:** Feedstuffs. For feedstuffs sold basis origin analysis, the last Buyer in string to whom a barge has been applied may inquire of the original shipper as to its analysis provided at least five (5) business days have elapsed since the original Bill of Lading date.~~

~~3. a. **Quantity:** Where the quantity of a contract of purchase or sale of barge grain is described as one (1) barge, about forty three thousand (43,000) bushels, or one (1) barge forty three thousand (43,000) bushels, or ten (10) barges, about four hundred thirty thousand (430,000) bushels, the bushel reference, whether preceded by the word "about" or not shall become mean quantity for purposes of establishing tolerances as described hereinafter.~~

~~Where the quantity of a contract of purchase or sale of barge feedstuffs is described as one barge, about twelve hundred (1,200) short tons, or ten barges about twelve thousand (12,000) short tons, the tonnage reference, whether preceded by the word "about" or not, shall become the mean contract quantity.~~

~~b. **Tolerance Grain:** In the absence of a clearly stipulated applicable tolerance in the statement of the quantity traded, it shall be understood that one thousand (1,000) bushels more or one thousand (1,000) bushels fewer than the mean quantity shall apply at contract price. A total tolerance of ten percent (10%) more or less than the mean quantity shall be permissible in the fulfillment of the contract, but if the tolerance is in excess of one thousand (1,000) bushels more or fewer, then the full tolerance shall be settled at the market value at the close of the first business day following the date of load or unload, whichever weight is applicable, of the last barge in fulfillment of the contract. At no time shall the total tolerance exceed thirty thousand (30,000) bushels, regardless of the mean contract quantity. Where the contract was originally written unpriced relative to a grain futures market or where a flat priced contract also clearly spells out the equivalent premium or discount to a given grain futures market, the words "market value at the close of the first business day following the date of load or unload" shall mean the "basis at the close of the first business day following the date of load or unload," and the flat price shall be established at the time the tolerance becomes known by both parties to the contract.~~

~~c. **Settlements: Overfills and Underfills Grain:** Overfills and Underfills shall be settled on a basis over or under the futures month currently used for the majority of cash trades.~~

To convert the basis the day after the last load or unload to a basis relative to the futures month currently used for the majority of the cash trades, the futures spread of the day after last load or unload shall be used.

On FOB Barge Contracts Buyer and Seller shall agree at time of contract on the freight rate to be used to settle overfills or underfills at time of unload.

~~d. **Settlements: Overfills and Underfills Feedstuffs:** Overfills and Underfills within five (5) percent of contract quantity shall be provisionally paid at the contract price. Overfills and Underfills in excess of five (5) percent of the contract quantity shall be provisionally paid basis the fair market value on the date of the original Bill of Lading. If the Bill of Lading date is a Saturday, Sunday, or holiday, the next business day will be used. If the contract calls for specific barge quantities, each barge shall be provisionally paid individually. Final settlements shall be computed by the same method as provisional payments.~~

~~4. **Certain Terms Defined and Applicability Thereof:**~~

~~a. **FOB & CIF:** For purposes of barge contracts the term FOB means free of charges on board barge or vessel. The terms CIF or "delivered," followed by a destination point, shall mean FOB origin, but the price includes the cost of the cargo FOB origin point, plus cargo insurance, plus barge or vessel freight to the destination rate point.~~

~~b. **Cargo Insurance or Cargo Insured Bill of Lading Receipt of the** aforementioned documents. If documents are presented by one o'clock p.m. (1:00 p.m.) Central Time, payment shall be made by two o'clock p.m. (2:00 p.m.) Central Time of the same business day. If payment is not made within the required time period, interest shall be charged at a rate over two and one half percent (2 1/2%) over current Minneapolis prime rate.~~

~~c. **Application:** It shall be the obligation of Seller to furnish Cargo Insurance or a Cargo Insured Bill of Lading with respect to barges furnished by Seller involving FOB, CIF or delivered contracts, and it shall be the obligation of Buyer to furnish Cargo Insurance with respect to barges furnished by Buyer involving FOB, CIF or delivered contracts.~~

~~5. **Reconsignment/Diversion:** The Seller's only obligation with respect to destination on a CIF or delivered sale in Seller's barges is to furnish the Buyer a validated Bill of Lading ordering the barge to the rate point specified in the contract, but nothing in this Rule shall be construed as preventing the Buyer from seeking to divert the barge to other than the specified destination.~~

~~6. **Payment of Original Drafts and/or Invoices:** Presentation of validated Bill of Lading, a certificate of cargo insurance where applicable and any other loading documents required by the contract shall be evidence of shipment on a CIF or delivered barge contract. Sight Drafts are subject to payment on presentation.~~

~~7. **Applicability/Time of Shipment:**~~

~~a. The date of the original validated barge Bill of Lading consigning the shipment to the destination specified by the contract shall be the determining date for establishing time of shipment on contract.~~

~~The time of shipment must always fall within the contract period, unless otherwise mutually agreed upon by Buyer and Seller.~~

~~b. Bill of Lading shall not predate notification of application by more than seven (7) calendar days. Example: Bill of Lading Date 4-3-84 last applicable date 4-10-84 at 11:00 a.m. Central Time.~~

~~c. Certificate of Inspection for grain barges shall not predate Bill of Lading date by more than three (3) calendar days.~~

~~d. For grain transactions made on the basis of origin official/certified weights, the weight certificate shall not predate the Bill of Lading by more than three (3) calendar days.~~

~~e. Application of a barge is the exchange from Seller to Buyer of the following items: (1) barge number, barge operation; (2) loading elevator, original shipper; (3) Bill of Lading date; (4) quantity in barge (bushels, tons); (5) in the case of grain, type of inspection (e.g., state or federal) and number grade, all factors.~~

~~Barges may be applied on contract Monday through Friday, holidays excepted, between the hours of eight o'clock (8:00 a.m.) and four o'clock (4:00 p.m.) Central Time, except the last day application barges, which must be applied by eleven o'clock (11:00 a.m.) Central Time.~~

~~8. **Demurrage:** For barges applied before or after arrival at the destination specified in the contract, the Buyer shall be entitled to such free time and demurrage terms as specified in the contract. Time to commence the first seven o'clock (7:00 a.m.) Central Time following (a) arrival of the barge at the destination specified in the contract or (b) following notification of application if application is made after arrival of the barge.~~

~~9. **FOB Buyer's Barge Contracts:** If the Buyer fails to furnish barges on such contracts within the contract period, it shall be the duty of the Seller, after having given the Buyer twenty four (24) hours' telephone notice to complete the contract and confirm in writing, to elect to (a) agree with the Buyer upon the extension of the contract, (b) sell out the unshipped balance for the Buyer's account or (c) cancel the defaulted portion of the contract at fair market value for the unshipped balance.~~

~~10. **Title: Passing of Title as well as Risk of Loss and/or Damage:** Unless otherwise specified by contractual agreement, title, as well as risk of loss and/or damage, passes to the Buyer as follows:~~

~~a. With respect to grain on FOB origin or FOB basing point contracts, or CIF contracts at time and place of shipment: The time is the moment of either (1) the issuance by the carrier of a validated Bill of Lading in accordance with Seller's instruction or (2) transmittal of wire, telex or written~~

~~shipping instructions by the Seller to the carrier in accordance with Buyer's instructions.~~

~~b. With respect to Feedstuffs: Title and risk of loss or damage caused by other than by going out of condition shall pass as provided in Paragraph 10 (A), but the original shipper shall be responsible for the condition of the feedstuffs up to (a) five (5) calendar days subsequent to the arrival of the barge at destination, or (b) commencement of unloading of the barge, whichever occurs first. (2) If the barge is sold after reaching its destination, the Seller and each subsequent Seller will be responsible for the condition of the feedstuffs for five (5) calendar days following the date of each reconsignment. (3) The Buyer will have until four o'clock (4:00 p.m.) Central Time on the fifth (5) calendar day following the date of arrival of the barge at destination to notify the Seller of any out of condition cargo. If the fifth (5) calendar day falls on a Saturday, Sunday or holiday, the following business day shall be considered the fifth (5) calendar day. (4) If the Buyer, under the provisions of Rule 10 (B) (1), (2) and (3) above, declares a barge of feedstuffs infested, the Buyer will notify the Seller of the cost of fumigation. The Buyer will assume the responsibility to fumigate the barge at the mutually agreed expense of the Seller; alternatively, the Seller has the right to fumigate the barge within twenty four (24) hours at the Seller's expense. If, in the latter case, the Seller has not fumigated the barge within twenty four (24) hours the Buyer may arrange for fumigation at the reasonable expense of the Seller. The barge cannot be rejected on account of infestation, and demurrage incurred shall continue for the account of the Buyer.~~

~~11. **Unpriced Grain Contracts:** Unless otherwise agreed all unpriced contracts shall be priced within the day's price range at Buyer's option, while futures markets are open and tradeable, but in no case shall pricing orders go beyond the requested date of shipment, or the day before the first notice day of the contract futures month involved, whichever comes first.~~

#### ~~1016.00. UNIT TRAINS.~~

~~For the purpose of these rules, a unit train is twenty four (24) or more cars as outlined in carriers tariffs.~~

#### ~~1017.00. ADVICE OF SHIPMENT.~~

~~Advice of Shipment: Advice of shipment shall be given to buyer on all shipments including:~~

- ~~1. Unit, train, or pool number.~~
- ~~2. Total number of cars and/or car numbers.~~
- ~~3. Commodity shipped.~~
- ~~4. Shipment evidenced by rail Bill of Lading.~~

#### ~~1018.00. WEIGHTS AND GRADES.~~

~~All multiple car shipments shall be weighed and graded individually unless by mutual consent of Buyer and Seller.~~



#### ~~1019.00. DIVERSION, RECONSIGNMENT OR REBILLING.~~

~~No diversion, reconsignment, or rebilling may be made without expressed consent of seller on all sales made "Delivered" to a specific destination.~~

#### ~~1020.00. TRADES AND TRANSACTIONS: WHEN GOVERNED BY MFE RULES.~~

~~The following trades and transactions, whether made on this Exchange or elsewhere, shall be subject to and governed by the Rules, customs, and usages of the Company:~~

- ~~\_\_\_\_\_ A. All purchases or sales (or contracts for the purchase or sale) or other transactions in commodities made "To Arrive" in this market or "On Arrival" in this market, or for delivery "In Store" or "On Track" in this market, if made with other Persons with cash trading privileges;~~
- ~~\_\_\_\_\_ B. All other trades or transactions if the maker is acting in the capacity of Commission Merchant or as agent for others unless by their nature such trades or transactions are subject to the rules of another Commodity Exchange and are so made;~~
- ~~\_\_\_\_\_ C. All purchases in carload lots "On Track" at country points for shipment to Minneapolis (or to be delivered to Minneapolis) and for resale in this market;~~
- ~~\_\_\_\_\_ D. All other trades and transactions in commodities made in the ordinary course of business with other Persons with cash trading privileges, unless the parties thereto have expressly agreed that the MFE Rules shall not apply, but no such agreement may be made that permits or results in any violation or evasion of the provisions of Sections a., b. or c. of this Rule, or of the CFTC or brokerage Rules of this Company.~~

~~The Rules, customs, and usages of this Company shall be a part of the terms and conditions of all trades and transactions made subject thereto or governed thereby with the same force and effect as if expressly contained therein, and all such trades and transactions shall be subject to the exercise by the Board of Directors, or by any duly constituted committee or board, or by the Clearing House of the powers in respect thereto vested in them by the MFE Rules, and all such trades and transactions shall be subject to all MFE Rules subsequently adopted, where such MFE Rules are expressly made applicable to existing trades and transactions.~~

## ~~CHAPTER 13. VESSEL TRADING RULES FOR THE PORTS OF DULUTH AND SUPERIOR~~

#### ~~1300.00. SCOPE.~~

~~The following Rules shall apply to FOB vessel contracts for the shipment of commodities from the ports of Duluth and Superior. For the purposes of this Rule the term "FOB" (Free on Board) means that the Seller undertakes for the price named to deliver the commodity specified in the contract to the discharge end of the loading spout free of charges to the Buyer.~~

The provisions of this Chapter shall apply unless the terms of the FOB vessel contract otherwise provide, but shall not interfere with the rights of Buyers and Sellers to make contracts whose terms differ from or are not included in those herein contained.

**~~1301.00. PASSING OF TITLE AS WELL AS RISK OF LOSS AND/OR DAMAGE.~~**

~~Unless otherwise specified by contractual agreement, title passes to the Buyer once the delivery of grade and weight certificates, as well as the Bill of Lading or mate's receipt(s), has been made to the Buyer or his agent and the Seller has received payment. Payment shall be made upon receipt of the aforementioned documents. If documents are presented by one o'clock p.m. (1:00) p.m. Central Time, payment shall be made the same business day. If payment is not made within the required time period, interest shall be charged at a rate of two and one-half percent (2 1/2%) over current prime rate as quoted in the Wall Street Journal (if more than one prime rate is quoted, it will be the average of the quotes).~~

~~Unless otherwise specified by contractual agreement the risk of loss and/or damage passes to the Buyer once the commodity contracted for has left the discharge end of the loading spout.~~

**~~1302.00. QUANTITY.~~**

~~Quantity in bulk, including dockage, five percent (5%) more or less at Buyer's option, and at market price (per **Rule 1309.00.**) as follows: If the first delivery under this contract is for a quantity between contract minimum and contract maximum (both inclusive), no further deliveries shall be made. If this contract is to be executed by more than one vessel, the loading tolerance of five percent (5%) more or less shall apply on the difference between the mean contract quantity and the quantity that has been delivered on all prior vessels. Any delivery which falls within this difference, plus or minus five percent (5%), shall complete the contract.~~

**~~1303.00. WEIGHT.~~**

~~Quantity to be final at Duluth/Superior in accordance with customary official/certified weight certificates used in Duluth/Superior. One thousand sixteen (1,016) kilos shall be equal to two thousand two hundred and forty (2,240) pounds.~~

**~~1304.00. COMMODITY.~~**

~~Unless otherwise agreed, commodity factors shall be in accordance with the official United States Grain Standards in effect on date of this contract.~~

**~~1305.00. QUALITY.~~**

~~Quality and condition will be final at Duluth/Superior in accordance with official/certified inspection certificates. Each party hereby authorizes the other party to request in both parties' names an appeal inspection under the U.S. Grain Standards Act at any time prior to or during the loading of the vessel, and whether or not such request was filed before commencement of loading. The cost of such appeal inspection, unless otherwise stipulated in this contract, shall be borne by the party requesting it. Delivery of higher grades of grain of the same type and description is permissible.~~

**~~1306.00. DELIVERY.~~**

Delivery shall be made between \_\_\_\_\_ and \_\_\_\_\_, both inclusive (the "delivery period"), at discharge end of loading spout, to Buyer's tonnage in readiness to load, in accordance with custom of the port and subject to the elevator tariff to the extent that it does not conflict with the terms of this contract. Incorporation of a loading rate guaranty in this contract shall not entitle Seller to delay delivery.

#### **~~1307.00. VESSEL NOMINATIONS.~~**

~~Vessel nominations must be given in writing by the Buyer of FOB vessel grain in an Exchange approved switching district during a normal business day and at least three (3) consecutive days pre advice (excluding Saturdays, Sundays, and holidays) prior to the date of the vessel's arrival. The Buyer shall keep the loading elevator informed of changes in expected time of vessel readiness.~~

~~Upon receipt of a vessel nomination, the Seller must promptly acknowledge receipt of and accept or deny the nomination, and either pass the nomination to a party with whom the Seller has a contract for the delivery of FOB vessel grain in an Exchange approved switching district or declare a loading elevator to the Buyer.~~

~~The Buyer has a right to substitute any nominated vessel; however, notice must be given as soon as possible but no later than twenty four (24) hours (excluding Saturdays, Sundays, and holidays) before the estimated time of arrival of the original vessel. No new pre advice period is required for any substitute vessel, provided that the substitute vessel arrives no earlier than the estimated time of arrival of the original nominated vessel.~~

~~The vessel will not be prevented from filing and taking its place in the vessel line up at the designated berth during the pre advice period or before commencement of the delivery period, notwithstanding which, Seller is not required to effect delivery to the vessel before the expiration of the pre advice period or before commencement of the delivery period. Laytime starts counting at 0800 on the next business day after valid notice of readiness is tendered, but in any case, not earlier than expiration of the contractual pre advice period or before commencement of the delivery period.~~

~~For the purposes of this contract, a vessel will be considered filed when it:~~

- ~~A. \_\_\_\_\_ Has tendered valid notice of readiness to load to the charterer or his agent at the port of loading;~~
- ~~B. \_\_\_\_\_ Has given written notice of such tender to the loading elevator, complete with all customarily required documents, such notice having been presented between the hours of 0800 and 1600 local time on a business day or between the hours of 0800 and 1200 noon on Saturday (provided not a holiday); and~~
- ~~C. \_\_\_\_\_ Is ready to receive grain in the compartments required for loading under this contract.~~

~~All grain must be ready for delivery to the vessel when required to be loaded aboard the vessel, and in the event such grain is not available at that time, the party at fault will be considered in default.~~

~~Bills of lading and/or mate's receipts are considered proof of date of delivery in the absence of evidence to the contrary. Any delivery in partial fulfillment of this contract will be considered as if made under a separate contract.~~

**~~1308.00. DAYS.~~**

~~First half shall be defined as calendar days one (1) through fifteen (15) both dates inclusive. Last half shall be defined as calendar days sixteen (16) through the last calendar day of the month, both dates inclusive.~~

**~~1309.00. PRICE.~~**

~~If the contract price is to be established on an exchange of futures, futures shall be exchanged prior to delivery of the commodity or at least five (5) calendar days, prior to the last trading days, of the applicable futures month, whichever is earlier, to the nearest five thousand (5,000) bushels of the mean contract quantity. If deliveries under this contract result in a variance from the mean contract quantity, there shall be another exchange of futures as soon as possible after the last day of loading to bring the resulting amount of futures exchanged to the nearest five thousand (5,000) bushels of the quantity delivered. All exchanges of futures shall be made within the range of prices prevailing on the futures market on the date of the exchange. The variance from the mean contract quantity shall be settled basis the market value as defined in paragraphs A and B below:~~

- ~~A. The FOB (flat price) market value, or the market value of the premium, as the case may be, shall be that prevailing on the close of the appropriate market in Duluth/Superior of the commodity on the last date of loading, if such be a business day, otherwise on the close of such market on the previous business day.~~
- ~~B. In the event the parties do not agree on the market value by the time the shipping documents are ready to be transmitted to Buyer, Seller shall invoice the entire shipment provisionally at contract price. Thereafter, final invoice for the difference between contract price and market value shall be presented as soon as possible and payment shall be made immediately.~~

**~~1310.00. NOTICE OF DELIVERY.~~**

~~Notice of delivery stating vessel's name, dates of bills of lading (or mate's receipts), quantities and qualities loaded (including percentage of dockage if applicable) shall be passed on by Seller to Buyer without undue delay. Notices of delivery shall be subject to correction of any errors.~~

**~~1311.00. INSURANCE.~~**

~~Marine and war risk (plus strikes, riots, civil commotions and mine risk) insurance, covering Seller's/Buyer's interests as they may appear, is to be covered by Buyer with first class approved companies and/or underwriters and to be confirmed by such companies and/or underwriters to Seller prior to the expected readiness of the vessel. If this confirmation is not received by Seller by such time, Seller may place such insurance for Buyer's account and at Buyer's risk and expense.~~

**~~1312.00. COMMUNICATIONS.~~**

All notices under this contract shall be given by letter, if delivered by hand on the day of writing, or by cable, telex or other method of rapid written communication. Any notice received after 1600 hours (local time at place of receipt) on a business day shall be deemed to have been received on the following business day, except that for preadvice given and received by parties which are both located in the Continental United States and/or Canada, the reference herein to 1600 hours shall signify 1600 hours Central Time.

#### **~~1313.00. CIRCLES.~~**

- ~~A. For the purposes of this clause, a circle shall consist of a series of contracts in which each Seller is also a Buyer of a commodity of the same description and quality, and with compatible delivery periods.~~
- ~~B. If this contract forms part of a circle, each party may agree with the other parties in the circle to forego actual delivery and to participate in a clearing agreement for the settlement of contract price differences. Monies due and owed to parties in the circle shall be payable on the middle day of the contract delivery period.~~
- ~~C. If a circle can be shown to exist but no clearing agreement has been reached by the tenth (10th) calendar day following the last day of the delivery period, actual delivery shall not be made and payment shall be made by each Buyer to his Seller of the excess of Seller's invoice amount over the lowest invoice amount in the circle. Such payments shall be made promptly after the tenth (10th) calendar day following the last day of the delivery period.~~
- ~~D. Should any party in a circle fail to make payment on the due date as required under paragraph B or C above for reasons cited in **Rule 1318.00.** or for any other reason, payment shall be made between each Buyer and his Seller of the difference between the Seller's invoice amount at contract price and the market value of the commodity on date of insolvency or default, as the case may be. Such payment shall be made latest on the second business day after the due date under paragraph B or C above. Payments already made under paragraph B or C above shall be refunded.~~
- ~~E. All circle settlements shall be based on the mean contract quantity. If a circle under paragraph B, C or D above exists, **Rules 1314.00.** and **1316.00.** shall not apply. Payments due on a non-business day shall be made not later than the following business day. All payments made after the delivery period shall include carrying charges from the day following the last day of the delivery period, to the date of payment, at the rates stipulated in this contract. These carrying charges shall be settled individually between Buyer and Seller.~~
- ~~F. The parties agree that any dispute arising out of the voluntary clearing agreement entered into in accordance with paragraph B above shall be subject to arbitration as per MFE Rules.~~

#### **~~1314.00. FAILURE TO TAKE DELIVERY.~~**

Should the Buyer not take delivery of the grain within the established contract period, he shall be in breach of contract, and the Seller shall carry the grain on carrying charges for Buyer's account from the day following the last date of contract delivery period up to the date(s) of delivery, both

~~dates inclusive, and such carrying charges shall include storage and insurance charges as provided in his elevator tariff, or as prescribed in the contract if the carrying charges are different from those prescribed in the elevator tariff, plus interest basis mean contract quantity or open balance basis mean quantity as follows:~~

~~One percent (1%) over current prime rate as quoted in the Wall Street Journal (if more than one prime rate is quoted, it will be the average of the quotes) when the prime rate is less than seven percent (7%).~~

~~One and one-half percent (1.5%) over current prime rate as quoted in the Wall Street Journal (if more than one prime rate is quoted it will be the average of the quotes) when the prime rate is seven (7%) or more but less than eight and one-half percent (8.5%).~~

~~Two percent (2.0%) over current prime rate as quoted in the Wall Street Journal (if more than one prime rate is quoted it will be the average of the quotes) when the prime rate is eight and one-half percent (8.5%) or more but less than ten percent (10.0%).~~

~~Two and one-half percent (2.5%) over current prime rate as quoted in the Wall Street Journal (if more than one prime rate is quoted it will be the average of the quotes) when the prime rate is ten percent (10.0%) or more.~~

~~In the event that said grain has not been picked up within twenty (20) calendar days following the last day of the contract delivery period, the Seller may at his discretion either:~~

- ~~A. Continue to carry the grain on carrying charges as provided above, or;~~
- ~~B. Issue warehouse receipts for the mean quantity due, for which the Buyer shall pay contract price, plus all accrued carrying charges and interest, but less out elevation charges (such tender of warehouse receipts shall be deemed performance of the contract on the part of the Seller), or;~~
- ~~C. Negotiate new terms with the Buyer for carrying beyond the twenty (20) day period or;~~
- ~~D. Declare the Buyer in default, but said declaration of default under this Rule, regardless of contract delivery period, may be made only during the calendar period of May fifteen (15th) through the first (1st) business day of December, both dates inclusive.~~

#### ~~1315.00. DRAFT AT LOADING BERTH.~~

~~Unless stipulated to the contrary, the Seller shall be responsible for providing a minimum water depth at the loading berth equivalent to seaway draft.~~

#### ~~1316.00. STRIKES OR OTHER CAUSES OF DELAY IN SHIPMENT.~~

~~This clause shall apply if delivery by the Seller of the commodity, or any part thereof, is prevented or delayed at the port or elevator of delivery by reason of any of the following conditions:~~

- ~~A. Riots, strikes, lockouts, embargoes, interruptions or stoppages to the normal course of labor;~~

~~B. Exceptional impediments to transportation;~~

~~C. Action by Federal, State or Local Government authority.~~

~~Seller shall have the option of invoking this clause by nominating a loading elevator and notifying the Buyer by cable or telex sent within two (2) business days after the date of commencement of the cause or causes of prevention and/or delay, or on the first business day of the contract delivery period, whichever occurs later (if Seller fails to invoke this clause within the proper time and notification requirements as described above, Seller shall not be entitled to do so at a later date for the same cause or causes and shall be in default if unable to load a properly nominated vessel; PROVIDED THAT if required by Buyer, Seller will furnish a certificate of MFE certifying the existence and duration of the cause or causes of prevention and/or delay, and such certification will be final.~~

~~The following shall apply if this clause has been invoked by the Seller:~~

~~A. At the termination of the cause or causes of prevention and/or delay or at the resumption of work after the termination of such cause or causes, whichever occurs later, Seller may extend the period of prevention and/or delay under this clause for up to an additional fourteen (14) days to allow the forwarding of the goods to the port; PROVIDED THAT Seller shall have notified Buyer by cable or telex sent within one (1) business day after the termination of the cause or causes of prevention and/or delay or at the resumption of work after the termination of such cause or causes, whichever occurs later.~~

~~B. At the termination of the cause or causes of prevention and/or delay, or at the resumption of work after the termination of such cause or causes, or at the termination of an extension declared by Seller of up to fourteen (14) days of the period of prevention and/or delay, whichever occurs later, Buyer shall be entitled to as many days to lift the goods as there were days remaining in the contract delivery period at the commencement of such cause or causes, but not fewer than fourteen (14) days.~~

~~C. Carrying charges for Buyer's account shall begin on the day following the last day allowed for performance on contract as extended hereunder, except that if this clause becomes operative after the last date of the contract delivery period, Buyer shall pay carrying charges from the day following the last day of contract delivery period up to date(s) loaded, both inclusive.~~

#### **~~1317.00. DEFAULT.~~**

~~In case of default by either party, the other party shall be at liberty, after giving notice by cable or telex, to resell or repurchase, as the case may be, without undue delay, and the defaulting party shall make good the loss, if any, to the other party but shall not be entitled to any profit. If the non-defaulting party has not repurchased or resold the commodity by the tenth (10th) consecutive day after the giving of notice of default, the market value on the said tenth (10th) day shall be used for settlement purposes. If such tenth (10th) day falls on a nonbusiness day, the market value on the previous business day will govern. In event of a default by Buyer, the sale price under this contract shall automatically be increased by the value of carrying charges calculated up to the date of resale, or the tenth (10th) consecutive day after the giving of notice of default, whichever is applicable.~~

#### **~~1318.00. INSOLVENCY.~~**

~~Either party shall, at any time after sending notice, have the right to terminate this contract and recover the loss (if any) in the event that:~~

~~A. the other party suspends payment or commits an act of bankruptcy; or~~

~~B. reasonable grounds for insecurity having arisen with respect to the financial capacity of the other party to perform under this contract, and a written demand for adequate assurance of due performance having been made, such assurance is not received within a period of time not exceeding five (5) days.~~