

**SUBMISSION COVER SHEET**

**IMPORTANT:** Check box if Confidential Treatment is requested

Registered Entity Identifier Code (optional): 19-016 (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): 01/14/2019 Filing Description: Delisting of Illinois Basin Coal Futures Contract

**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:**

**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

**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: See filing.

Rule Numbers: See filing.

January 14, 2019

**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 Delisting of the Illinois Basin Coal Futures Contract.  
COMEX Submission No. 19-016 (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 the delisting of the Illinois Basin Coal Futures Contract (the “Contract”) as noted in the table below effective immediately. There is no open interest in the Contract.

Contract Title	Commodity Code	Rulebook Chapter
Illinois Basin Coal Futures	ILB	255

The Contract, which was listed on the NYMEX designated contract market (“DCM”), is being delisted from the CME Globex electronic trading platform and CME ClearPort, the venues on which it was listed.

Exhibit A provides amendments to the NYMEX Rulebook Chapter 255 (“Illinois Basin Coal Futures”) in blackline format.

As a result of the delisting, information regarding the Contract has been deleted from the respective product rule chapter, related position limits in the Position Limit, Position Accountability and Reportable Level Table located in the Interpretations and Special Notices Section of Chapter 5 (“Trading Qualifications and Practices”) of the Exchanges’ Rulebook, the CME Globex non-reviewable ranges located in Rule 588.H. of the NYMEX Rulebook, and the list of block-eligible products located on the CME Group website. The Exchanges also amended the applicable sections of the Illinois Basin Coal Delivery Terminals in Chapter 7 (“Delivery Facilities and Procedures”) of the NYMEX/COMEX Rulebook to reflect the delisting.

The Exchanges reviewed the DCM core principles (“Core Principles”) as set forth in the Commodity Exchange Act (“CEA” or “Act”) and identified that the following Core Principles may be impacted by this initiative as follows:

- **Emergency Authority:** There is no open interest in the Contract and, therefore, there will be no market disruption related to its delisting.

- **Availability of General Information:** The Exchanges will make publicly available the details of the delisting by publishing a Special Executive Report (“SER”) to the marketplace. The SER will be available on CME Group’s website.

Pursuant to Section 5c(c) of the Act and CFTC Regulation 40.6(a), the Exchanges hereby certify that the delisting of the Contract complies with the Act, including 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 Exchanges’ website at <http://www.cmegroup.com/market-regulation/rule-filings.html>.

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

Sincerely,

/s/ Christopher Bowen  
Managing Director and Chief Regulatory Counsel

Attachments: Exhibit A - NYMEX Illinois Basin Coal Futures Rulebook Chapter (blackline format)  
Exhibit B - Position Limit, Position Accountability, and Reportable Level Table in Chapter 5 (“Trading Qualifications and Practices”) of the Rulebook (blackline format) (attached under separate cover)  
Exhibit C - NYMEX/COMEX Rulebook Chapter 7 (“Delivery Facilities and Procedures”) (blackline format)

## Exhibit A

### NYMEX Rulebook

(deletions are struck through)

#### **Chapter 255** **Illinois Basin Coal Futures**

##### **255100. SCOPE OF CHAPTER**

~~This chapter is limited in application to Illinois Basin Coal futures. The procedures for trading, clearing, delivery and settlement not specifically covered herein or in Chapter 7 shall be governed by the general rules of the Exchange. The provisions of these rules shall apply to all Illinois Basin coal bought and sold for future delivery on the Exchange. The terms "seller" and "buyer" shall mean the seller of the physical product and the buyer of the physical product, respectively. For purposes of these rules, unless otherwise specified, times referred to herein shall refer to and indicate New York time.~~

##### **255101. CONTRACT SPECIFICATIONS**

~~Coal shall mean crushed, bituminous coal, substantially free of any extraneous material, with no intermediate sizes to be added or removed and otherwise meeting the specifications of this contract delivered in accordance with the rules of this contract.~~

~~Coal delivered under this contract shall meet the following quality specifications on an as received basis which shall mean that analysis data is calculated to the moisture condition of the sample as it arrived at the laboratory, and before any processing or conditioning. If the sample has been maintained in a sealed state so that there has been no gain or loss, the as received basis is equivalent to the moisture basis as sampled (as received does not refer to grindability and sizing):~~

~~Btu (British thermal unit) which shall mean the amount of heat required to raise the temperature of one (1) pound of avoirdupois pure water from fifty-eight and five tenths degrees (58.5) Fahrenheit to fifty-nine and five tenths degrees (59.5) Fahrenheit at a constant pressure of 14.73 pounds per square inch absolute:~~

~~11,500 Btu/lb standard gross calorific value, 11,100 Btu/lb minimum (American Society for Testing and Materials ("A.S.T.M.") D5685)~~

~~Ash: Maximum 12.00% (A.S.T.M. D3174)~~

~~Sulfur: Maximum 3.15% (A.S.T.M. D4239)~~

~~Moisture: Maximum 14.00% (A.S.T.M. D3302)~~

~~Volatile Matter: Minimum: 30.00%(A.S.T.M. D3175)~~

~~Grindability: Minimum 50 Hardgrove Index (HGI) (A.S.T.M. D409)~~

~~Chlorine: Maximum 0.35% (A.S.T.M. D4208)~~

~~Ash Fusion Temperature (AFT): 1,850 degrees Fahrenheit, as measured by initial deformation temperature (IDT), reducing atmosphere (A.S.T.M. D1857)~~

~~Sizing: Three inches topsize, nominal, with maximum fifty five percent passing one quarter inch square wire cloth sieve to be determined basis the primary cutter of the mechanical sampling system. (A.S.T.M. D4749)~~

~~Testing: The tests for Grindability and Sizing are at the buyer's option, with the buyer required to (1) direct its inspection company (i.e., sampling contractor) to collect whatever additional samples are necessary for these tests to be performed according to the specified A.S.T.M. guidelines. The buyer will bear any costs for additional sample collection; and (2) notify the seller whether the test is to be conducted pursuant to Section 105.D.~~

##### **255102. TRADING SPECIFICATIONS**

Trading in Illinois Basin Coal futures is regularly conducted in all calendar months. The number of months open for trading at a given time shall be determined by the Exchange.

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**255102.A. Trading Schedule**

The hours for trading shall be determined by the Exchange.

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**255102.B. Trading Unit**

The contract unit shall be 1,750 short tons. A loading tolerance of plus or minus sixty (60) short tons or two percent (2%), whichever is greater, applicable to the total number of contracts per scheduled delivery.

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**255102.C. Price Increments**

Prices shall be quoted in dollars and cents per short ton. The minimum price fluctuation shall be \$0.01 per short ton. There is no maximum price fluctuation.

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**255102.D. Position Limits, Exemptions, Position Accountability and Reportable**

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**Levels**

The applicable position limits and/or accountability levels, in addition to the reportable levels, are set forth in the Position Limit, Position Accountability and Reportable Level Table in the Interpretations & Special Notices Section of Chapter 5.

A Person seeking an exemption from position limits for bona fide commercial purposes shall apply to the Market Regulation Department on forms provided by the Exchange, and the Market Regulation Department may grant qualified exemptions in its sole discretion.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

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**255102.E. Termination of Trading**

No trades in Illinois Basin Coal futures in the expiring contract month shall be made after the close of business four Business Days prior to the first calendar day of the month for such expiring contract (the "last trade date"). In the event that the originally listed last trade date is declared a holiday, the last trade date will move to the Business Day immediately prior. Any contracts remaining open after the last trade date must be either:

(A) Settled by delivery. Delivery shall be scheduled by the seller to take place on a single day between the first calendar day of the delivery month and a date such that there are a minimum of seven (7) calendar days remaining in the delivery month ("delivery date"). The delivery date may be amended by agreement of the parties in accordance with Rule 255106.B below. In no event shall the amended delivery date be later than the last calendar day of the delivery month; or

(B) Liquidated by means of a bona fide Exchange for Related Position ("EFRP") pursuant to Rule 538. An EFRP is permitted in an expired futures contract until 10:00 a.m. on the first Business Day following termination of trading in an expired futures contract. An EFRP which establishes a futures position for either the buyer or the seller in an expired futures contract shall not be permitted following the termination of trading of an expired futures contract.

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**255103. INSPECTION SAMPLING AND WEIGHING**

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**255103.A. Inspection**

The buyer and the seller shall each select and bear the cost of their respective inspection companies to:

1. Jointly supervise the sampling procedures which are to be done with the delivery facility's mechanical sampler as the buyer's barge is being loaded according to A.S.T.M. guideline D 2234, or a mutually agreed upon method, or, in the case of a failure of the mechanical sampler during loading, a method selected by the buyer;
2. Individually conduct weighing procedures; and
3. Individually run their own tests on the samples in accordance with Rule 255101.

The inspection companies shall not be affiliated with the parties to the delivery. The inspection companies must be capable of performing the quantity or quality tests requested by the buyer and the seller in such a manner so as to assure that the coal delivered conforms with these rules.

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**255103.B. Weight**

Weighing shall be done by certified belt scale, or if the delivery facility does not have a certified belt scale, a draft survey is acceptable.

**255104. DELIVERY**

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**255104.A. Location of Delivery**

Delivery shall be made free on board ("F.O.B.") buyer's barge at seller's approved delivery facility on the Ohio River between Mileposts 776 and 918 with all duties, entitlements, taxes, fees and other charges imposed prior to delivery on or in respect to the product paid by the seller. Delivery shall be made in accordance with all applicable Federal, State and local laws.

The seller's delivery facility must have a mechanical sampler in working condition that is bias tested in accord with A.S.T.M. D7430.

Buyer shall remain responsible for all demurrage charges through the delivery date set in accordance with Rule 255102.E above, unless the seller is responsible for a loading delay that results in demurrage charges after the delivery date set in accordance with Rule 255102.E above. In such a case, the seller shall be responsible for the demurrage charges caused by such a delay.

A delivery shall be made by book-out if the seller and the buyer mutually agree to such transfer.

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**255104.B. Timing of Delivery Schedule**

A seller may not schedule delivery of coal earlier than the first calendar day of the delivery month and no later than a date such that there are a minimum of seven (7) calendar days remaining in the delivery month. The seller shall give the buyer five (5) Business Days' notice of the delivery date, unless an earlier delivery date is mutually agreed to by both parties.

**255105. DELIVERY PROCEDURES**

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**255105.A. Responsibilities of Clearing Members Having Open Long Positions**

Notice of Intention to Accept

Exchange clearing members having open long positions shall provide the Clearing House with a Notice of Intention to Accept delivery by 11:00 a.m. on the first Business Day after the final day of trading. The Notice of Intention to Accept must be in the form prescribed by the Exchange and must be properly completed and indicate the name(s) of the buyer(s), the number of contracts to be accepted and any other information as may be required by the Exchange.

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**255105.B. Responsibilities of Clearing Members Having Open Short Positions**

Notice of Intention to Deliver

Exchange clearing members having open short positions shall provide the Clearing House with a Notice of Intention to Deliver by 11:00 a.m. on the first Business Day after the final day of trading. The Notice of Intention to Deliver must be in the form prescribed by the Exchange and must be properly completed, indicate the name(s) of the seller(s), name of the approved delivery facility, the number of contracts to be delivered, and any other information as may be required by the Exchange.

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**255105.C. Notice Day**

The Clearing House shall allocate Notices of Intention to Deliver and Notices of Intention to Accept by matching size of positions, to the extent possible.

The Clearing House shall provide Assignment Allocation Notices to the respective clearing members by 3:00 p.m. on the first Business Day after the final day of trading.

The day on which the Assignment Allocation Notices are provided to the clearing members shall be referred to as "Notice Day."

The clearing members that receive Assignment Allocation Notices from the Clearing House shall have agreed to accept or deliver coal, as the case may be. Assignment Allocation Notices are not transferable.

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**255105.D. Responsibilities of Clearing Members in Receipt of Assignment Allocation Notices to Accept Delivery**

**1. Notice of Buyer's Inspection Company**

As soon as possible after receipt from the Exchange of an Assignment Allocation Notice, but no later than 11:00 a.m. on the second Business Day after the final day of trading, the buyer's clearing member shall provide the Clearing House and the seller's clearing member identified in such Assignment Allocation Notice a properly completed Notice of Buyer's Inspection Company, in the form prescribed by the Exchange, which must include the following information: the name of the designated inspection company; the optional quality inspections that the buyer may select pursuant to testing and sizing in Rule 255104; and, any additional information as may be required by the Exchange.

**2. Notice of Barge Company**

As soon as possible after receipt from the Exchange of an Assignment Allocation Notice, but no later than 11:00 a.m. on the second Business Day after the final day of trading, the buyer's clearing member shall provide the Clearing House and the seller's clearing member identified in such Assignment Allocation Notice a properly completed Notice of Barge Company, in the form prescribed by the Exchange, which must identify the barge company that the buyer intends to use to accept delivery of coal as prescribed under the terms of this contract.

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**255105.E. Responsibilities of Clearing Members in Receipt of Assignment Allocation Notices to Deliver**

**1. Notice of Seller's Inspection Company**

As soon as possible after receipt from the Exchange of an Assignment Allocation Notice, but no later than 11:00 a.m. on the second Business Day after the final day of trading, the seller's clearing member shall provide the Clearing House and the buyer's clearing member identified in such Assignment Allocation Notice a properly completed Notice of Seller's Inspection Company, in the form prescribed by the Exchange, which must include: the name of the designated inspection company; and any additional information as may be required by the Exchange.

**2. Notice of Timing and Terminal**

As soon as possible after receipt from the Exchange of an Assignment Allocation Notice, but no later than 11:00 a.m. on the second Business Day after the final day of trading, the seller's clearing member shall provide the Clearing House and the buyer's clearing member identified in such Assignment Allocation Notice a properly completed Notice of Timing and Terminal which includes the delivery date, in the form prescribed by the Exchange, which must include:

- a. The seller may not schedule delivery of coal earlier than five (5) Business Days after the filing of Notice of Timing and Terminal without written consent of the buyer; and
- b. Name of eligible delivery terminal at which the seller intends to deliver coal as prescribed under the terms of this contract.

**3. Notice of Confirmation of Delivery Schedule**

The seller's clearing member shall, contemporaneously with the Notice of Timing and Terminal and upon receipt from its designated delivery terminal that its schedule for delivery of coal has been confirmed, provide the Clearing House and the buyer's clearing member identified in the Assignment Allocation Notice a properly completed Notice of Confirmation of Delivery Schedule, in the form prescribed by the Exchange, which must identify the scheduled date for delivery of coal at the terminal and the number of contracts to be delivered.

**4. Clearance and Non-Clearance**

- a. **Notice of Scheduled Clearance.** By 3:00 pm on the second Business Day after the final day of trading, the buyer's clearing member shall give to the seller's clearing member and to the Exchange a properly completed Notice of Scheduled Clearance. The Notice of Scheduled Clearance must be in the form prescribed by the Exchange. The buyer's Notice of Scheduled Clearance must indicate that the buyer will have available barges to enable the delivery to occur in accordance with the provisions of the Notice of Intention to Accept.
- b. **Non-Clearance.** In the event that the buyer is unable to take delivery on the delivery date, the buyer's clearing member, shall notify the seller's clearing member and the Exchange, in a form prescribed by the Exchange, of the reasons for inability to take delivery. Such notification shall contain an

~~alternate or preferred transportation means through which delivery will be completed, and shall be submitted to the Exchange and the seller's clearing member by 3:00 pm on the second Business Day after the final day of trading. The seller's clearing member must either accept or deny the alternate plan by 3:00 pm on the third Business Day after the final day of trading. The Notice of Non-Clearance must state the reasons for such inability to make delivery according to the alternate plan.~~

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**255105.F. Final Settlement Price**

~~The settlement price on the final day of trading shall be the basis for delivery. To determine the delivery price to be utilized in calculating the seller's invoice: multiply the settlement price on the final day of trading for the delivery month by the ratio of the heat content of the delivered coal to the contract standard of 11,500 btu/lb (See Rules 255101 and 255102).~~

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**255105.G. Delivery Day**

~~Delivery will commence when coal is loaded into the buyer's barge. When a Trading Unit (Section 102.B) of coal enters the buyer's barge, title shall be transferred to the buyer and the buyer shall bear the risk of loss.~~

~~The day on which the buyer receives the coal shall be referred to as the Delivery Day.~~

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**255105.H. Timing of Inspection**

~~The buyer and seller shall each deliver to the counterparty copies of the reports of the inspectors on the quality and quantity of coal delivered and inspected pursuant to the terms of this contract no later than 48 hours from completion of barge loading.~~

~~If an inspection result for either the buyer or seller is not delivered in accordance with this section, such inspection results will not be used to determine quality and quantity of coal delivered as specified herewith. In the event that a buyer or seller does not receive the inspection results from its counterparty in accordance with this section, such buyer or seller shall immediately notify the Exchange in writing.~~

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**255105.I. Final Inspection Results**

~~The results for each of the quality and quantity tests performed by the buyer's and seller's respective inspection companies will be averaged. The average of the results shall determine whether the coal delivered meets the required quality and quantity specifications and heat content, and shall be the basis for payment.~~

~~If the buyer and seller choose the same inspector, only one inspection shall be conducted and shall serve as the basis for determining coal quality and quantity specifications and heat content. In such instance the buyer and seller shall share equally the cost of such inspection. Such inspection shall be the basis for payment.~~

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**255105.J. Rejection**

~~If the coal tendered for delivery does not meet the quality, quantity and heat content specifications in accordance with Rules 255101 and 255102, the buyer may reject such non-conforming coal and notify the Clearing House and the seller's clearing member in the form prescribed by the Exchange no later than 12:00 p.m. on the first Business Day following receipt of the inspection reports for the coal. The buyer shall return the coal to the seller at seller's cost. The seller shall be required to replace the rejected coal no later than the last calendar day of the delivery month.~~

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**255106. AMENDMENTS TO DELIVERY**

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**255106.A. Amendments to Delivery by the Buyer**

~~The buyer may unilaterally amend, only prior to the commencement of delivery as defined in this contract and upon prior written notification to the seller, the following provisions of this contract:~~

- ~~1. The inspection company as identified in the buyer's clearing member's Notice of Inspection Company; and~~
- ~~2. The optional quality inspections identified in the buyer's clearing member's Notice of Inspection Company; and~~
- ~~3. The barge company as identified in the Notice of Barge Company.~~



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**255106.B. Amendments to Delivery by the Seller**

Upon written notification to the buyer and the Exchange, the seller, with agreement from the buyer, may amend the contract terms specified in subsections 1 and 2 below prior to the filing of the Confirmation of Delivery Schedule as defined in this contract, and the contract term specified in subsection 3 below prior to the commencement of delivery as defined in this contract.

1. The eligible delivery terminal as identified in the Notice of Timing and Terminal; and
2. The timing of delivery as identified in the Notice of Timing and Terminal, but in no event shall the delivery date be later than the last calendar day of the delivery month.
3. The inspection company as identified in the Seller's Notice of Inspection Company.

After the Confirmation of Delivery Schedule has been filed, the seller's clearing member may only amend delivery terminal and timing of delivery upon mutual agreement with the buyer's clearing member via data entry into the Clearing House delivery system.

**255107. DELIVERY MARGIN AND PAYMENT**

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**255107.A. Margin**

The buyer's clearing member and the seller's clearing member shall deposit with the Clearing House margins in such amounts and in such form as required by the Exchange. Such margins shall be returned on the Business Day following notification to the Exchange that delivery and payment have been completed.

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**255107.B. Payment**

No later than 12:00 p.m. on the Business Day following the receipt of inspection reports pursuant to Rules 255105.H and 255105.I, the buyer shall pay short contract value by federal funds wire transfer to the account of the seller at the bank nominated by the seller. The term "contract value" shall mean the amount equal to the Final Settlement Price times the number of short tons as determined in accordance with Rules 255102, 255103 and 255105.

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**255107.C. Transfer of Ownership**

Upon receipt of coal, the seller shall provide the buyer with all appropriate documents necessary to transfer ownership of the coal to the buyer.

**255108. VALIDITY OF DOCUMENTS**

The Exchange makes no representation respecting the authenticity, validity or accuracy of any inspection certificate, Notice of Intention to Deliver, Notice of Intention to Accept, bill of lading, check or of any document or instrument delivered pursuant to these rules.

**255109. ALTERNATIVE DELIVERY PROCEDURES**

A seller and buyer matched by the Exchange under Rule 255105.C. may agree to make and take delivery under terms or conditions which differ from the terms and conditions prescribed by this Chapter. In such a case, clearing members shall execute an Alternative Notice of Intention to Deliver on the form prescribed by the Exchange and shall deliver a completed and executed copy of such notice to the Exchange. The delivery of an executed Alternative Notice of Intention to Deliver to the Exchange shall release the clearing members and the Exchange from their respective obligations under the rules of this Chapter and any other rules regarding physical delivery.

In executing such notice, clearing members shall indemnify the Exchange against any liability, cost or expense the Exchange may incur for any reason as a result of the execution, delivery, or performance of such contracts or such agreement, or any breach thereof or default thereunder. Upon receipt of an executed Alternative Notice of Intention to Deliver, the Exchange will return to the clearing members all margin monies held for the account of each with respect to the contracts involved.

**Exhibit B**

**Position Limit, Position Accountability, and Reportable Level Table in  
Chapter 5  
("Trading Qualifications and Practices")**

(attached under separate cover)

**Exhibit C**

**NYMEX/COMEX Rulebook**

(additions underscored; deletions ~~struck through~~)

**Chapter 7  
DELIVERY FACILITIES AND PROCEDURES**

**GENERAL**

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**709. RESERVED**

~~ILLINOIS BASIN COAL DELIVERY TERMINALS~~

~~709.A.—Conditions for Approval~~

~~709.B.—Withdrawal or Revocation of Approved Status~~

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**INTERPRETATIONS & SPECIAL NOTICES  
RELATING TO CHAPTER 7**

**PRECIOUS METALS – STORAGE AND HANDLING FEES**

**BASE METALS – STORAGE AND HANDLING FEES**

**PRECIOUS METALS – DEPOSITORIES AND WEIGHMASTERS**

**PRECIOUS METALS – ASSAYERS**

**PRECIOUS METALS – CARRIERS**

**GOLD (GC) – BRANDS**

**GOLD KILO (GCK) – BRANDS**

**SILVER – BRANDS**

**PLATINUM – BRANDS**

**PALLADIUM – BRANDS**

**BASE METALS – WAREHOUSES AND WEIGHMASTERS**

**BASE METALS – ASSAYERS**

**COPPER – BRANDS**

**ALUMINUM – BRANDS**

**LEAD – BRANDS**

**ZINC – BRANDS**

**ULSD & RBOB GASOLINE – NY HARBOR REGISTERED DELIVERY TERMINALS**

~~ILLINOIS BASIN COAL – REGISTERED DELIVERY TERMINALS~~

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## Chapter 7

### DELIVERY FACILITIES AND PROCEDURES

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709.

#### **[RESERVED]**

#### **ILLINOIS BASIN COAL DELIVERY TERMINALS**

##### **709.A.—Conditions for Approval**

~~Illinois Basin coal terminals may be declared regular for delivery with the approval of the Exchange. Persons operating terminals who desire to have such terminals made regular for delivery under the Rules of the Exchange shall make application for an initial Declaration of Regularity on a form prescribed by the Exchange.~~

~~Initial regularity and increases in regularity for delivery against a listed futures contract shall be effective either thirty days after the Exchange posts a notice that a bona fide application has been received or the day after the application is approved by the Exchange, whichever is later.~~

~~The Exchange may establish such requirements and conditions for approval of regularity as it deems necessary. The application for regularity prescribed by the Exchange shall set forth conditions of regularity as well as other agreements with which the operator of the regular terminal shall comply. In addition to any conditions and agreements contained in such application or in the relevant product chapter, the following shall constitute conditions for regularity and requirements with which the operator of a regular terminal shall comply:~~

- ~~1.—Recordkeeping. Terminals shall make such reports, keep such records, and permit such visitation as the Exchange and/or the CFTC may prescribe. Such books and records shall be kept for a period of five (5) years from the date thereof or for a longer period if the Exchange and/or the CFTC shall so direct, and such books, records and terminals shall be open at all times to inspection by any representative of the Exchange, the CFTC or the U.S. Department of Justice.~~
- ~~3.—The terminal shall not engage in unethical or inequitable practices, and shall comply with all applicable Federal, State and local laws and regulations and the Rules of the Exchange.~~
- ~~4.—Terminals shall be subject to the Rules of the Exchange, the disciplinary procedures set forth in Chapter 4, and the arbitration procedures set forth in Chapter 6, and shall abide by and comply with the terms of any disciplinary decision imposed or any arbitration award issued against it pursuant to the Rules of the Exchange.~~
- ~~5.—Terminals shall consent to the disciplinary jurisdiction of the Exchange for five (5) years after such regularity lapses, for conduct which occurred while the terminal was approved.~~
- ~~6.—The terminal shall promptly notify the Exchange of any damage or alteration to the terminal that will hinder the terminal from performing its obligations with respect to delivery of product.~~
- ~~7.—The terminal shall immediately notify the Exchange, in writing, of any actual change in control or ownership.~~
- ~~8.—The terminal represents and warrants that all of the information in its application for regularity is accurate. The terminal agrees that it has a continuing obligation to promptly notify the Exchange of any change in the information contained therein.~~

~~The Exchange, in its sole discretion, may determine not to approve terminals for regularity, regardless of whether such terminals meet the preceding requirements and conditions.~~

##### **709.B.—Withdrawal or Revocation of Approved Status**

~~The Business Conduct Committee may revoke a declaration of regularity whenever a regular terminal fails to comply with the conditions specified in this Chapter, any other conditions to which it has agreed in its application for regularity, or any other Exchange Rules.~~

~~Unless a shorter notification period is otherwise authorized by the Exchange, a terminal shall give six (6) months prior written notice to the Exchange prior to withdrawing from regularity.~~

~~If the designation of a terminal as regular is withdrawn or revoked, a notice shall be posted announcing such withdrawal or revocation and also the period of time, if any, during which deliveries can be made through such terminal in satisfaction of futures contracts under the Rules of the Exchange.~~

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