

**SUBMISSION COVER SHEET**

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

Registered Entity Identifier Code (optional): 18-274

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

Filing as a:  DCM  SEF  DCO  SDR

Please note - only ONE choice allowed.

Filing Date (mm/dd/yy): June 15, 2018 Filing Description: Weekly Notification of Amendments Related to Product Terms and Conditions - Week of June 4, 2018

**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

**Official Product Name:**

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

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

**Official Name(s) of Product(s) Affected:** See filing.

**Rule Numbers:** See filing.

June 15, 2018

**VIA ELECTRONIC PORTAL**

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

**RE: CFTC Regulation 40.6(d) Notification. Commodity Exchange, Inc. (“COMEX” or “Exchange”) Weekly Notification of Amendments Related to Product Terms and Conditions.  
COMEX Submission No. 18-274**

Dear Mr. Kirkpatrick:

Pursuant to Commodity Futures Trading Commission (“CFTC” or “Commission”) Regulation 40.6(d), the Exchange submits this weekly notification of the following amendments related to product terms and conditions made effective during the week of June 4, 2018.

Effective June 4, 2018, the Exchange amended the strike price listing rules for the Silver Option and Silver Weekly Option Contracts. The marketplace was alerted of these changes via SER# 8133, which is attached hereto as Exhibit A.

Also, effective June 4, 2018, the Exchange made non-substantive administrative amendments to the COMEX Rulebook to explicitly state that the Zinc Futures Contract is a duty unpaid contract. The Rulebook chapter is attached hereto, in blackline format, as Exhibit B.

Effective June 7, 2018, the Exchange approved the request of Worldwide Warehouse Solutions LLC, a Warehouse for the storage of COMEX Aluminum and Lead, located in Detroit, Michigan be withdrawn from its status as an approved warehouse. This location will no longer be available for the storage of COMEX Aluminum and Lead deliverable against the Exchange’s respective futures contracts. The marketplace was alerted of these changes via MKR# 06-07-18C, which is attached hereto as Exhibit C.

Also, effective June 7, 2018, the Exchange approved the request of Worldwide Warehouse Solutions LLC, a Warehouse for the storage of COMEX Aluminum, Copper and Zinc, located in New Orleans, Louisiana be withdrawn from its status as an approved warehouse. This location will no longer be available for the storage of COMEX Aluminum, Copper and Zinc deliverable against the Exchange’s respective futures contracts. The marketplace was alerted of these changes via MKR# 06-07-18D, which is attached hereto as Exhibit D.

In accordance with the changes above, the Exchange updated the COMEX Rulebook Chapter 7 “Service Providers” Chart (“Chart”) for “Base Metals – Charges” and “Bases Warehouses Weighmasters.” The Chart is attached under separate cover, in blackline format, as Exhibit E.

If you require any additional information, please contact the undersigned at (212) 299-2200 or via e-mail at [CMEGSubmissionInquiry@cmegroup.com](mailto:CMEGSubmissionInquiry@cmegroup.com).

Sincerely,

/s/ Christopher Bowen  
Managing Director and Chief Regulatory Counsel

Attachments: Exhibit A – SER# 8133  
Exhibit B – COMEX Rulebook Chapter 186 (blackline format)  
Exhibit C – MKR# 06-07-18C  
Exhibit D – MKR# 06-07-18D  
Exhibit E – COMEX Rulebook Chapter 7 “Service Providers” Chart for “Base Metals – Charges” and “Bases Warehouses Weighmasters” (attached under separate cover) (blackline format)

**EXHIBIT A**



Special Executive Report

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**DATE:** May 8, 2018

**SER#:** 8133

**SUBJECT: Amendments to the Strike Price Listing Rules for the Silver Option and Silver Weekly Option Contracts**

Effective Sunday, June 3, 2018 for trade date Monday, June 4, 2018, Commodity Exchange, Inc. ("COMEX" or "Exchange") will amend the strike price listing rules for the Silver Option (Rulebook Chapter: 116; Commodity Code: SO) and Silver Weekly Option (Rulebook Chapter: 1009; Commodity Code: SO1-SO5) contracts (the "Contracts") as noted below.

The Contracts are listed for trading on CME Globex and for submission for clearing via CME ClearPort.

<b>Contract Title</b>	<b>Rulebook Chapter</b>	<b>Commodity Code</b>	<b>Current Strike Price Listing Rule</b>	<b>Strike Price Listing Rule as of June 4, 2018</b>
Silver Option	116	SO	Minimum 40 strikes at \$0.25 per troy ounce strike increment above and below the at-the-money strike. If the underlying futures settle price is less than \$10.00, then 10 strikes at \$0.10 per troy ounce strike increment above and below the at-the-money strike in addition to the above \$0.25 increment strikes. Dynamic strikes at \$0.25 (\$0.10 if the underlying futures settle price is below \$10.00) per troy ounce strike increment above and below the highest and lowest pre-listed strikes.	Minimum 40 strikes at \$0.25 per troy ounce strike increment above and below the at-the-money strike for the current year and the next 3 years. For months 1 through 3 if the underlying futures settle price is less than \$25.00, 40 strikes at \$0.05 per troy ounce strike increment above and below the at-the-money strike in addition to the above \$0.25 increment strikes. Dynamic strikes at \$0.05 per troy ounce strike increment for all calendar month listings.

Silver Weekly Option	1009	S01-SO5	<p>Minimum 20 strikes at \$0.25 per troy ounce strike increment above and below the at-the-money strike.</p> <p>If the underlying futures settle price is less than \$10.00, then 10 strikes at \$0.10 per troy ounce strike increment above and below the at-the-money strike in addition to the above \$0.25 increment strikes.</p> <p>Dynamic strikes at \$0.25 (\$0.10 if the underlying futures settle price is below \$10.00) per troy ounce strike increment above and below the highest and lowest pre-listed strikes.</p>	<p>Minimum 20 strikes at \$0.25 per troy ounce strike increment above and below the at-the-money strike.</p> <p>Minimum 20 strikes at \$0.05 per troy ounce strike increment above and below the at-the-money strike in addition to the above \$0.25 strike increments.</p> <p>Dynamic strikes at \$0.05 per troy ounce increment for all weekly listings.</p>
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The Exchange will amend the Strike Price Listing Procedures and Exercise Procedures Table located in Chapter 300 (“Options Contracts”) to reflect the aforementioned amendments.

The Commodity Futures Trading Commission (“CFTC”) will be notified of these amendments during the week of June 11, 2018 via the weekly notification procedures set forth in Part 40 of the CFTC Regulations.

Please refer questions on this subject to:

Joann Arena  
Albert Ng

[joann.arena@cmegroup.com](mailto:joann.arena@cmegroup.com)  
[albert.ng@cmegroup.com](mailto:albert.ng@cmegroup.com)

(212) 299-2356  
(212) 299-2347

## **EXHIBIT B**

### **COMEX RULEBOOK**

#### **Chapter 186**

#### **Zinc Futures**

(additions **underlined and bolded**)

#### **186100. SCOPE OF CHAPTER**

This chapter is limited in application to physically delivered Zinc 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 zinc bought or sold for future delivery on the Exchange.

The terms "seller" and "buyer" shall mean the seller of the physical product and the buyer of the physical product, respectively. Terms not specifically defined herein shall be defined in Chapter 7.

For purposes of these Rules, unless otherwise specified, times referred to herein shall refer to and indicate New York time.

#### **186101. CONTRACT SPECIFICATIONS**

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

Eligible zinc must consist of Special High Grade zinc of 99.995% purity and meeting the chemical composition of either ASTM B6-12 (Standard Specification for Zinc), BS EN 1179:2003 (Zinc and Zinc Alloys), ISO 752:2004 (Zinc ingots), or GB/T 470-2008 (Zinc ingots). Zinc being placed on warrant must be accompanied by a Certificate of Analysis. The Certificate of Analysis shall indicate the brand and the chemical composition of the zinc. If the aforementioned standards adopt a change in the standard specifications for the special high grade zinc and such change is adopted and confirmed by the Exchange, zinc conforming to the change so adopted, as well as zinc conforming to the previous specifications shall have been placed in a Warehouse prior to the date of the adoption and confirmation by the Exchange of the new specifications.

**Zinc Futures is a duty unpaid contract.** Eligible zinc shall be either duty paid or duty unpaid.

Each warrant shall consist of zinc from one producer and of one brand and shall consist of ingots of one shape and size unless different shapes and sizes are needed for bundle stability. Each bundle shall not exceed 1.5 metric tons (1.5 MT). The brand and grade reference must be marked on each ingot or each bundle must have a durable label indicating the brand and grade reference. The cast number must be marked on the bundle label, the top surface of the bundle or each ingot within the bundle.

Eligible zinc must consist of any of the Exchange's approved brand marks, as provided in Chapter 7, current at the date of delivery of the contract.

The zinc must be weighed by an approved weighmaster. A weight certificate shall be issued by the approved weighmaster

Warehouse must declare that the zinc meets the specification for delivery in fulfillment of a Zinc futures contract. Upon request from the warehouse, the seller's clearing member shall provide verification that the zinc is of an approved brand meeting the specification of the contract.

The electronic certificate shall reference a signed declaration of the warehouse, as to the origin of the zinc and the grade thereof; such declaration to be in the following form and maintained on file at the warehouse.

*This is to certify that the brand of zinc covered by Warrant #..... issued by ..... (Warehouse) is the product of ..... (Producer) an approved refiner for delivery of zinc against the Commodity*

*Exchange, Inc., Zinc futures contract and conforming to the specifications pursuant to the rules of the Exchange.*

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

## **186102. TRADING SPECIFICATIONS**

Trading in Zinc futures is regularly conducted in the following months: twelve (12) consecutive months.

### **18602.A. Trading Schedule**

The hours of trading for this contract shall be determined by the Exchange.

### **18602.B. Trading Unit**

The contract unit shall be twenty five metric tons (25 MT).

### **18602.C. Price Increments**

Prices shall be quoted in multiples of fifty cents (\$0.50) per metric ton. Price shall be quoted in dollars and cents per metric tons.

### **18602.D. Position Limits, Exemptions, Position Accountability and Reportable Levels**

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

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

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

### **18602.E. Termination of Trading**

No trades in Zinc futures deliverable in the current month shall be made after the third last business day of that month. Any contracts remaining open after the last trade date must be either:

(A) Settled by delivery which shall take place on any business day beginning on the first business day of the delivery month or any subsequent business day of the delivery month, but no later than the last business day of the delivery month.

(B) Liquidated by means of a bona fide Exchange for Related Position ("EFRP") pursuant to Rule 538. An EFRP is permitted in an expired futures contract until 12:00 p.m. on the business day following termination of trading in the expired futures contract. An EFRP which establishes a futures position for either the buyer or the seller in an expired futures contract shall not be permitted following the termination of trading of an expired futures contract.

## **186103.-107. [RESERVED]**

## **186108. 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 document or instrument delivered pursuant to these rules.

## EXHIBIT C

**DATE:** June 7, 2018  
**MKR#:** 06-07-18C  
**SUBJECT:** Withdrawal of an Approved COMEX Aluminum and Lead Warehouse

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Please be advised that **Worldwide Warehouse Solutions LLC**, an existing Warehouse for the storage of COMEX Aluminum and Lead, has requested from the Exchange that its facility located in Detroit, Michigan be withdrawn from its status as an approved warehouse. This location will no longer be available for the storage of COMEX Aluminum and Lead deliverable against the Exchange's respective futures contracts.

The withdrawal of regularity is effective immediately.

Please refer questions on this subject to:

### **Market Surveillance**

Terry Gehring                      [Terry.Gehring@cmegroup.com](mailto:Terry.Gehring@cmegroup.com)                      (312) 435-3644

The Commodity Futures Trading Commission (CFTC) will be notified of this withdrawal in regularity during the week of June 11, 2018 via the weekly notification procedures set out in Part 40 of the CFTC Regulations.



## EXHIBIT D

**DATE:** June 7, 2018  
**MKR#:** 06-07-18D  
**SUBJECT:** Withdrawal of an Approved COMEX Aluminum, Copper and Zinc Warehouse

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Please be advised that **Worldwide Warehouse Solutions LLC**, an existing Warehouse for the storage of COMEX Aluminum, Copper and Zinc, has requested from the Exchange that its facility located in New Orleans, Louisiana be withdrawn from its status as an approved warehouse. This location will no longer be available for the storage of COMEX Aluminum, Copper and Zinc deliverable against the Exchange's respective futures contracts.

The withdrawal of regularity is effective immediately.

Please refer questions on this subject to:

### **Market Surveillance**

Terry Gehring                      [Terry.Gehring@cmegroup.com](mailto:Terry.Gehring@cmegroup.com)                      (312) 435-3644

The Commodity Futures Trading Commission (CFTC) will be notified of this withdrawal in regularity during the week of June 11, 2018 via the weekly notification procedures set out in Part 40 of the CFTC Regulations.

**EXHIBIT E**

**COMEX Rulebook  
Chapter 7  
Service Providers Chart**

(additions underlined, deletions ~~overstruck~~)

(attached under separate cover)