

SUBMISSION COVER SHEET

IMPORTANT: Check box if Confidential Treatment is requested

Registered Entity Identifier Code (optional): 16-309

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

Filing as a: DCM SEF DCO SDR

Please note - only ONE choice allowed.

Filing Date (mm/dd/yy): 09/09/16 **Filing Description:** Amendments to the Gold Option, Silver Option, and Copper Option Contracts

SPECIFY FILING TYPE

Please note only ONE choice allowed per Submission.

Organization Rules and Rule Amendments

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

Rule Numbers:

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: Gold Option, Silver Option, Copper Option

Rule Numbers: Chapter 115, Chapter 116, Chapter 117

September 9, 2016

VIA ELECTRONIC PORTAL

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

**Re: CFTC Regulation 40.6(a) Certification. Notification Regarding Amendments
to the Gold Option, Silver Option, and Copper Option Contracts.
COMEX Submission No. 16-309**

Dear Mr. Kirkpatrick:

Commodity Exchange, Inc. (“COMEX” or “Exchange”) is notifying the Commodity Futures Trading Commission (“CFTC” or “Commission”) that it is self-certifying amendments to the rulebook chapters for the Gold Option (Rulebook Chapter 115; Commodity Code: OG), Silver Option (Rulebook Chapter 116; Commodity Code: SO), and Copper Option contracts (Rulebook Chapter 117; Commodity Code: HX) (collectively, the “Contracts”), effective on Sunday, September 25, 2016 for trade date Monday, September 26, 2016.

These amendments will harmonize the product chapters with other Exchange option contract chapters. The majority of the revisions are stylistic in nature, but the substantive revisions to these product chapters include the following:

- Product-specific position limits, accountability and reportable levels have been eliminated and been replaced with standardized language that directs the reader to the Position Limit, Position Accountability and Reportable Level Table in the Interpretations & Special Notices Section of COMEX Chapter 5.
- The “Scope of Chapter” rule is being added in Chapters 115 and 116 to describe the specific application of the rules of the respective chapters.
- The “Option Characteristics” rule is being added in Chapters 115 and 116 to specify the underlying futures contract.
- Option exercise rules are being restructured for Rules 115101.F., 116101.F., and 117101.F. to provide additional information with respect to timing and process regarding the Contracts. The amendments to the option exercise rules will not impact economic value of the Contracts.

The Exchange reviewed the designated contract market core principles (“Core Principles”) as set forth in the Commodity Exchange Act (“Act” or “CEA”) and identified that the amendments to the Contracts may have some bearing on the following Core Principle:

- Availability of General Information: COMEX will issue a Special Executive Report (“SER”) to the marketplace regarding these amendments. The SER will also be posted on the CME Group website.

Pursuant to Section 5c(c) of the Act and CFTC Regulation 40.6(a), the Exchange hereby certifies that the amendments to the Contracts comply with the Act, including regulations under the Act. There were no substantive opposing views to these amendments.

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

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

Sincerely,

/s/Christopher Bowen
Managing Director and Chief Regulatory Counsel

Attachments: Appendix A: Amendments to Gold Option, Silver Option, and Copper Option Rulebook Chapters (blackline format)
Appendix B: Amended Gold Option, Silver Option, and Copper Options Rulebook Chapters (clean version)

Appendix A

COMEX RULEBOOK

(additions underlined; deletions ~~overstruck~~)

Chapter 115

Gold Option

115.0100. DELETEDSCOPE OF CHAPTER

~~Deleted.~~

This chapter is limited in application to put and call options on Gold futures contracts. In addition to the rules of this chapter, transactions in options on Gold futures shall be subject to the general rules of the Exchange insofar as applicable.

115.02101. TRADING MONTHS OF GOLD OPTIONSOPTION CHARACTERISTICS

The number of months open for trading at a given time shall be determined by the Exchange.

For each Gold Option month traded on the Exchange, the underlying Gold Futures contract month shall be the February, April, June, August, October, or December Gold Futures contract, determined as follows:

<u>Option Contract Months Listed</u>	<u>Exercise into Underlying Futures</u>
<u>January, February</u>	<u>February</u>
<u>March, April</u>	<u>April</u>
<u>May, June</u>	<u>June</u>
<u>July, August</u>	<u>August</u>
<u>September, October</u>	<u>October</u>
<u>November, December</u>	<u>December</u>

115101.A. Trading Schedule

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

115101.B. Trading Unit

A Gold put or call option contract traded on the Exchange represents an option to assume a short or long position in the underlying futures contract traded on the Exchange.

115101.C. Price Increments

Prices shall be quoted in dollars and cents per ounce. The minimum price increment will be \$0.10 per ounce, or \$10 per contract.

115101.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.

115101.E. Termination of Trading

A Gold option shall expire at the close of trading four business days prior to the end of the month preceding the option contract month; provided, however, that (1) if such day is a Friday, the expiration date shall be the preceding business day or (2) if such day is the day immediately prior to an Exchange holiday, the expiration date shall be the preceding business day. In the event that the official Exchange holiday schedule changes subsequent to the listing of a Gold futures option, the originally listed expiration date shall remain in effect. In the event that the originally listed expiration day is declared a holiday, expiration will move to the business day immediately prior.

115101.F. Exercise

At expiry, a Gold futures option in the money will be automatically exercised and an out of the money option will be automatically abandoned unless contrary instructions are submitted. A notice of exercise must be given to the Clearing Member no later than 4:30 EST on the option expiration date.

(a) Notice of exercise of an option shall be presented to the Clearinghouse in accordance with such rules and procedures as the Clearinghouse may adopt.

(b) On the same day the Clearinghouse receives a notice of exercise of an option or automatically exercises an option the Clearinghouse shall allocate exercised options in accordance with its rules. On the following business day the Clearinghouse shall notify clearing members which of its short options were exercised.

(c) Clearing members shall make every effort to notify prior to 9:00 a.m. (New York time) on the following business day the grantor of any option who is allocated an exercised option. Clearing members shall, also, make every effort to notify prior to 9:00 a.m. (New York time) on the business day following the expiration of an option the grantor of any in-the-money option who is not allocated an exercised option.

d) A notice of exercise of a Gold futures option cannot be transferred or assigned. A member receiving a notice of exercise of a Gold futures call option shall be entered as the seller of a Gold futures contract for delivery in the month corresponding to the option contract month at the strike price of the Gold futures call option and a member receiving a notice of exercise of a put futures option shall be entered as the purchaser of a Gold futures contract for the delivery month corresponding to the option contract month at the strike price of the Gold futures put option.

115101.G. Type of Option

The option is an American-style option which can be exercised on any business day prior to and until expiration day.

~~(a) Gold options shall be listed for trading on each of the nearest twenty (20) consecutive futures contract months. In addition, June and December option contract months shall be listed for seventy-two (72) months from the current listed month.~~

~~(b) Notwithstanding the provisions of this subsection, if the Board determines that trading in gold options will be facilitated thereby, the Board may, by resolution, add additional months that are not currently listed.~~

115.03102.- STRIKE EXERCISE PRICES

(A4) Strike prices shall be in increments per troy ounce of gold for all trading months as described below. Trading in puts and calls on the first day of a new option contract month shall be at the following one hundred seventeen strike prices:

(i) the previous day's settlement price for gold futures contracts in the corresponding delivery month rounded off to the nearest strike price unless such settlement price is precisely midway between two strike prices, in which case it shall be rounded off to the higher price;

(ii) the forty \$5 strike prices which are forty \$5 increments higher than the strike price described in (i) of this Rule 115.03(4)102.;

(iii) the forty \$5 strike prices which are forty increments lower than the strike price described in (i) of this Rule 115.03(4)102.;

(iv) an additional ten strike prices for both call and put options will be listed at \$10.00 increments above the highest five dollar increment as described in (ii) of this Rule 115.~~03(1)102.~~, beginning with the first available such strike that is evenly divisible by \$10.00;

(v) an additional ten strike prices for both call and put options will be listed at \$10.00 increments below the lowest five dollar increment as described in (iii) of this Rule 115.~~03(1)102.~~, beginning with the first available such strike that is evenly divisible by \$10.00;

(vi) an additional eight strike prices for both call and put options will be listed at \$25.00 increments above the highest \$10.00 increments as described in (iv) of this Rule 115.~~03(1)102.~~, beginning with the first available such strike that is evenly divisible by \$25.00;

(vii) an additional eight strike prices for both call and put options will be listed at \$25.00 increments below the lowest \$10 increment as described in (v) of this Rule 115.~~03(1)102.~~ beginning with the first available such strike that is evenly divisible by \$25.00.

~~(2B) At all times, there shall be at least forty \$5 strike prices above and below the at-the-money strike price, ten \$10.00 strike prices above and below the at-the-money strike price, and eight \$25.00 strike prices above and below the at-the-money strike price.~~

~~(3) No new strike prices shall be introduced in the option contract month of the gold options next due to expire after the third business day prior to the Expiration Date for such options.~~

~~————(aC) Notwithstanding the provisions of sections (1) and (2) of this Rule 115.03, if the Exchange determines that trading in gold options will be facilitated thereby, the Exchange may, by resolution, change the increments between strike prices, the number of strike prices which shall be traded on the first day in any new option contract month, the price of the gold futures contract at which a new strike price will be introduced, or the period preceding the expiration of a gold option in which no new strike prices may be introduced.~~

~~(c) Notwithstanding the provisions of subsections (A) and (B) of this Rule, if the Exchange determines that trading in Gold Option contracts will be facilitated thereby, the Exchange may, by resolution, change the increments between strike prices, the number of strike prices which shall be traded on the first day in any new option contract month, the number of new strike prices which will be introduced on each business day or the period preceding the expiration of a Gold Option contract in which no new strike prices may be introduced.~~

~~————(b) In addition to strike prices authorized pursuant to other sections of this Rule 115.03, the President of the Exchange or his designee may direct that additional strike prices be added. Such strike prices may be added provided they may be listed only in increments consistent with the pricing for the underlying futures contract. Such directed strike prices shall be effective upon adoption. Notice of such adoption must be given by the Exchange to the CFTC pursuant to Commission Regulation 1.41(n) in such fashion that the CFTC receives such notice within three business days of the strike price listing.~~

~~115.04. PRICE MULTIPLES FOR GOLD OPTIONS~~

~~Prices for gold options shall be in multiples of ten cents per troy ounce of gold represented by the underlying futures contract.~~

~~115.05. PRICE LIMITS AND CESSATION OF TRADING IN GOLD OPTIONS~~

~~Trades in gold options shall not be subject to price limits.~~

~~115.06. PAYMENT OF PREMIUM~~

~~(a) The purchaser of a gold futures option shall pay the full premium therefor to the Clearinghouse not later than the time which the Clearinghouse requires on the business day following the purchase of the option.~~

~~(b) The grantor of a gold futures option shall receive the full premium therefor from the Clearinghouse not later than the close of business on the business day following the sale of the option.~~

115.0703. SPECIAL PRICE FLUCTUATION LIMITS

At the commencement of each trading day, the contract shall be subject to special fluctuation limits as set forth in Rule 589 and in the Special Price Fluctuation Limits Table in the Interpretations & Special Notices Section of Chapter 5.

115.08. EXPIRATION AND EXERCISE OF GOLD OPTIONS

(a) A gold futures option shall expire at the close of trading four business days prior to the end of the month preceding the option contract month; provided, however, that (1) if such day is a Friday, the expiration date shall be the preceding business day or (2) if such day is the day immediately prior to an Exchange holiday, the expiration date shall be the preceding business day. In the event that the official Exchange holiday schedule changes subsequent to the listing of a Gold futures option, the originally listed expiration date shall remain in effect. In the event that the originally listed expiration day is declared a holiday, expiration will move to the business day immediately prior.

(b) An option which is subject to automatic exercise shall be exercised in accordance with the rules and procedures of the Clearinghouse. All other options shall expire unless Notice of Exercise is given to a Clearing Member not later than 3:00 P.M. on the option's Expiration Date.

115.09. NOTICE OF EXERCISE

(a) Notice of exercise of an option shall be presented to the Clearinghouse in accordance with such rules and procedures as the Clearinghouse may adopt.

(b) On the same day the Clearinghouse receives a notice of exercise of an option or automatically exercises an option the Clearinghouse shall allocate exercised options in accordance with its rules. On the following business day the Clearinghouse shall notify clearing members which of its short options were exercised.

(c) Clearing members shall make every effort to notify prior to 9:00 a.m. (New York time) on the following business day the grantor of any option who is allocated an exercised option. Clearing members shall, also, make every effort to notify prior to 9:00 a.m. (New York time) on the business day following the expiration of an option the grantor of any in-the-money option who is not allocated an exercised option.

(d) A Notice of Exercise for a gold futures call option shall be in the following form:

NOTICE OF EXERCISE OF A GOLD FUTURES CALL OPTION

New York, 20
(0:00 o'clock)

To (-)

Take notice that effective upon the opening of gold trading on
,20 we shall purchase from you and you shall sell to us one Commodity Exchange, Inc.
futures contract for 100 troy ounces of gold at a price of dollars per troy ounce (the strike
price of the option) for delivery between the first and last delivery days of (the option contract
month).

Signed (-)

(e) A Notice of Exercise for a gold futures put option shall be in the following form:

NOTICE OF EXERCISE OF GOLD FUTURES PUT OPTION

New York, N.Y., 20
(o'clock)

To (-)

Take notice that effective upon the opening of gold trading on
,20 we shall sell to you and you shall purchase from us one Commodity Exchange, Inc.
futures contract for 100 troy ounces of gold at a price of dollars per troy ounce (the strike

~~price of the option) for delivery between the first and last delivery days of (the option contract month).~~

~~Signed (-)~~

~~(f) A Notice of Exercise of a gold futures option cannot be transferred or assigned. A member receiving a Notice of Exercise of a gold futures call option shall be entered as the seller of a gold futures contract for delivery in the month corresponding to the option contract month at the strike price of the gold futures call option and a member receiving a Notice of Exercise of a put futures option shall be entered as the purchaser of a gold futures contract for the delivery month corresponding to the option contract month at the strike price of the gold futures put option.~~

115.10. FORM OF GOLD OPTIONS

~~(a) All gold options in the March and February expiration cycles shall be in the following form:~~

~~COMMODITY EXCHANGE, INC.~~

~~GOLD FUTURES OPTION~~

~~New York, N.Y. 20~~

~~A.B. has this day sold to C.D. and agreed to honor on timely Notice of Exercise a (call) gold futures option, to (purchase) one contract of~~

~~(put) (sell)~~

~~100 troy ounces of gold for delivery in (the option contract month) at a price of \$ per troy ounce (the strike price). Upon the Notice of Exercise, the buyer and seller of this futures option shall become the buyer and seller, respectively, if the futures option is a futures call option, or the seller and buyer, respectively, if the futures option is a futures put option, of a Commodity Exchange, Inc. gold futures contract on the terms stated above.~~

~~The contract is, and any gold contract resulting from the exercise shall be, made in view of, and in all respects subject to the By-Laws and Rules of Commodity Exchange, Inc.~~

~~For and in consideration of a premium which the futures option buyer pays to the futures option seller, the undersigned accepts this contract with all its obligations and conditions.~~

~~Verbal contracts (which shall always be presumed to have been made in the approved form) shall have the same standing, force and effect as written ones, if notice in writing of such contracts shall have been given by one of the parties thereto to the other party during the day on which such contract is made.~~

Chapter 116
Silver Option

116.04100. DELETEDSCOPE OF CHAPTER

Deleted.

This chapter is limited in application to put and call options on Silver futures contracts. In addition to the rules of this chapter, transactions in options on Silver futures shall be subject to the general rules of the Exchange insofar as applicable.

116.02101. TRADING MONTHS OF SILVER OPTIONSOPTION CHARACTERISTICS

Silver options shall be listed for trading on (a) the nearest five (5) of the March, May, July, September, and December futures contract months, and (b) the nearest January, February, April, June, August, October, and November futures contract months such that a total of six (6) consecutive calendar months from, and including, the current listed futures contract month are listed at all times, and (c) any July and December contract months during a sixty (60)-month period from, and including, the current listed futures contract month.

The number of months open for trading at a given time shall be determined by the Exchange.

For each Silver Option month traded on the Exchange, the underlying Silver Futures contract month shall be the March, May, July, September, or December Silver Futures contract, determined as follows:

<u>Option Contract Months Listed</u>	<u>Exercise into Underlying Futures</u>
<u>January, February, March</u>	<u>March</u>
<u>April, May</u>	<u>May</u>
<u>June, July</u>	<u>July</u>
<u>August, September</u>	<u>September</u>
<u>October, November, December</u>	<u>December</u>

116.03101.A. STRIKE PRICESTrading Schedule

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

116101.B. Trading Unit

A Silver put or call option contract traded on the Exchange represents an option to assume a short or long position in the underlying futures contract traded on the Exchange.

116101.C. Price Increments

Prices shall be quoted in dollars and cents per ounce. The minimum price increment will be one-tenth of one cent per troy ounce of silver.

116101.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.

116101.E. Termination of Trading

A Silver option shall expire at the close of trading four business days prior to the end of the month preceding the option contract month; provided, however, that (1) if such day is a Friday, the expiration date shall be the preceding business day or (2) if such day is the day immediately prior to an Exchange

holiday, the expiration date shall be the preceding business day. In the event that the official Exchange holiday schedule changes subsequent to the listing of a Gold futures option, the originally listed expiration date shall remain in effect. In the event that the originally listed expiration day is declared a holiday, expiration will move to the business day immediately prior.

116101.F Exercise

At expiry, a Silver futures option in the money will be automatically exercised and an out of the money option will be automatically abandoned unless contrary instructions are submitted. A notice of exercise must be given to the Clearing Member no later than 4:30 EST on the option expiration date.

(a) Notice of exercise of an option shall be presented to the Clearinghouse in accordance with such rules and procedures as the Clearinghouse may adopt.

(b) On the same day the Clearinghouse receives a notice of exercise of an option or automatically exercises an option the Clearinghouse shall allocate exercised options in accordance with its rules. On the following business day the Clearinghouse shall notify clearing members which of its short options were exercised.

(c) Clearing members shall make every effort to notify prior to 9:00 a.m. (New York time) on the following business day the grantor of any option who is allocated an exercised option. Clearing members shall, also, make every effort to notify prior to 9:00 a.m. (New York time) on the business day following the expiration of an option the grantor of any in-the-money option who is not allocated an exercised option.

d) A notice of exercise of a Silver futures option cannot be transferred or assigned. A member receiving a notice of exercise of a Silver futures call option shall be entered as the seller of a Silver futures contract for delivery in the month corresponding to the option contract month at the strike price of the Silver futures call option and a member receiving a notice of exercise of a put futures option shall be entered as the purchaser of a Silver futures contract for the delivery month corresponding to the option contract month at the strike price of the Silver futures put option.

116101.G. Type of Option

The option is an American-style option which can be exercised on any business day prior to and until expiration day.

116102. EXERCISE PRICES

For all months:

(a) Strike prices will be listed with forty (40) strike prices in \$0.25 increments above and below the at-the-money strike price. If the underlying futures price is less than \$10.00 per ounce, ten (10) strike prices in increments of \$0.10 above or below the at-the-money strike price will be listed in addition to the \$0.25 increment.

~~(b) Notwithstanding the provisions of subsections (A) and (B) of this Rule, if the Exchange determines that trading in Silver Option contracts will be facilitated thereby, the Exchange may, by resolution, change the increments between strike prices, the number of strike prices which shall be traded on the first day in any new option contract month, the number of new strike prices which will be introduced on each business day or the period preceding the expiration of a Silver Option contract in which no new strike prices may be introduced.~~

~~Notwithstanding the provisions of section (a) of this Rule 116.03, if the Exchange determines that trading in silver option contracts will be facilitated thereby, the Exchange may, by resolution, change the increments between strike prices, the number of strike prices which shall be traded on the first day in any new option contract month, the price of the silver futures contract at which a new strike price will be introduced, or the period preceding the expiration of a silver option contract in which no new strike prices may be introduced.~~

~~(c) In addition to strike prices authorized pursuant to other sections of this Rule 116.03, the Exchange may direct that additional strike prices be added.~~

116.04. PRICE MULTIPLES FOR SILVER OPTIONS

~~Prices for silver options shall be in multiples of one-tenth of one-cent per troy ounce of silver represented by the underlying futures contract.~~

116.05. PRICE LIMITS AND CESSATION OF TRADING IN SILVER OPTIONS

~~Trades in silver options shall not be subject to price limits.~~

116.06. PAYMENT OF PREMIUM

~~(a) The purchaser of a silver futures option shall pay the full premium therefor to the Clearinghouse not later than the time which the Clearinghouse requires on the business day following the purchase of the option.~~

(b) The grantor of a silver futures option shall receive the full premium therefor from the Clearinghouse not later than the close of business on the business day following the sale of the option.

116.0703. SPECIAL PRICE FLUCTUATION LIMITS

At the commencement of each trading day, the contract shall be subject to special fluctuation limits as set forth in Rule 589 and in the Special Price Fluctuation Limits Table in the Interpretations & Special Notices Section of Chapter 5.

116.08. EXPIRATION AND EXERCISE OF SILVER OPTIONS

~~(a) A silver futures option shall expire at the close of trading four business days prior to the end of the month preceding the option contract month; provided, however, that (1) if such day is a Friday, the expiration date shall be the preceding business day or (2) if such day is the day immediately prior to an Exchange holiday, the expiration date shall be the preceding business day. In the event that the official Exchange holiday schedule changes subsequent to the listing of Silver futures option, the originally listed expiration date shall remain in effect. In the event that the originally listed expiration day is declared a holiday, expiration will move to the business day immediately prior.~~

~~(b) An option which is subject to automatic exercise shall be exercised in accordance with the rules and procedures of the Clearinghouse. All other options shall expire unless Notice of Exercise is given to a Clearing Member not later than 3:00 P.M. on the option's Expiration Date. In the event that the originally listed expiration day is declared a holiday, expiration will move to the business day immediately prior.~~

116.09. NOTICE OF EXERCISE

~~(a) Notice of exercise of an option shall be presented to the Clearinghouse in accordance with such rules and procedures as the Clearinghouse may adopt.~~

~~(b) On the same day the Clearinghouse receives a notice of exercise of an option or automatically exercises an option the Clearinghouse shall allocate exercised options in accordance with its rules. On the following business day the Clearinghouse shall notify clearing members which of its short options were exercised.~~

~~(c) Clearing members shall make every effort to notify prior to 9:00 a.m. (New York time) on the following business day the grantor of any option who is allocated an exercised option. Clearing members shall, also, make every effort to notify prior to 9:00 a.m. (New York time) on the business day following the expiration of an option the grantor of any in-the-money option who is not allocated an exercised option.~~

~~(d) A Notice of Exercise for a silver futures call option shall be in the following form:~~

NOTICE OF EXERCISE OF A SILVER FUTURES CALL OPTION

~~New York, 20
(0:00 o'clock)~~

To (-)

~~Take notice that effective upon the opening of silver trading on ,20 we shall purchase from you and you shall sell to us one Commodity Exchange, Inc. futures contract for 5000 troy ounces of silver at a price of dollars per troy ounce (the strike price of the option) for delivery between the first and last delivery days of (the option contract month).~~

Signed (-)

~~(e) A Notice of Exercise for a silver futures put option shall be in the following form:~~

~~NOTICE OF EXERCISE OF SILVER FUTURES PUT OPTION~~

~~New York, 20
(0:00 o'clock)~~

To (-)

~~Take notice that effective upon the opening of silver trading on ,20 we shall sell to you and you shall purchase from us one Commodity Exchange, Inc. futures contract for 5000 troy ounces of silver at a price of dollars per troy ounce (the strike price of the option) for delivery between the first and last delivery days of (the option contract month).~~

Signed (-)

~~(f) A Notice of Exercise of a silver futures option cannot be transferred or assigned. A member receiving a Notice of Exercise of a silver futures call option shall be entered as the seller of a silver futures contract for delivery in the month corresponding to the option contract month at the strike price of the silver futures call option and a member receiving a Notice of Exercise of a put futures option shall be entered as the purchaser of a silver futures contract for the delivery month corresponding to the option contract month at the strike price of the silver futures put option.~~

~~116.10. FORM OF SILVER OPTIONS~~

~~(a) All silver options in the February and January expiration cycle shall be in the following form:~~

COMMODITY EXCHANGE, INC.
SILVER FUTURES OPTION

New York, N.Y. 20

A.B. has this day sold to C.D. and agreed to honor on timely notice of Exercise a (call) silver futures option, to (purchase) one contract of 5000 troy ounces of silver for
(put) (sell)

for delivery in (the option contract month) at a price of \$ _____ per troy ounce (the strike price). Upon the Notice of Exercise, the buyer and seller of this futures option shall become the buyer and seller, respectively, if the futures option is a futures call option, or the seller and buyer, respectively, if the futures option is a futures put option, of a Commodity Exchange, Inc. silver futures contract on the terms stated above.

The contract is, and any silver contract resulting from the exercise shall be, made in view of, and in all respects subject to the By-Laws, Rules and Resolutions of Commodity Exchange, Inc.

For and in consideration of a premium which the futures option buyer pays to the futures option seller, the undersigned accepts this contract with all its obligations and conditions. Verbal contracts (which shall always be presumed to have been made in the approved form) shall have the same standing, force and effect as written ones, if notice in writing of such contracts shall have been given by one of the parties thereto to the other party during the day on which such contract is made.

Chapter 117 Copper Option

117100. _____ SCOPE OF CHAPTER

This chapter is limited in application to put and call options on Copper futures contracts. In addition to the rules of this chapter, transactions in options on Copper futures shall be subject to the general rules of the Exchange insofar as applicable.

117101. _____ OPTION CHARACTERISTICS

(FOR ALL CONTRACT MONTHS PRIOR TO APRIL 2016)

~~The number of months open for trading at a given time shall be determined by the Exchange.~~

~~For each Copper option month traded on the Exchange, the underlying Copper futures contract month shall be the same month as the Copper option contract month.~~

(FOR ALL CONTRACT MONTHS COMMENCING WITH THE APRIL 2016 CONTRACT MONTH AND BEYOND)

The number of months open for trading at a given time shall be determined by the Exchange.

For each Copper option month traded on the Exchange, the underlying Copper futures contract month shall be the March, May, July, September or December Copper Futures contract, determined as follows:

_____ Option Contract Months Traded/ Listed _____ Exercise into Underlying -Futures

_____ January, February, March

_____ March Futures

_____ April, May

_____ May Futures

_____ June, July

_____ July Futures

_____ August, September

_____ September Futures

_____ October, November, December

_____ December Futures

117101.A. Trading Schedule

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

117101.B. Trading Unit

A Copper put or call option contract traded on the Exchange represents an option to assume a short or long position in the underlying futures contract traded on the Exchange.

117101.C. Price Increments

Prices shall be quoted in dollars and cents and prices shall be in multiples of five one-hundredths of one cent per pound of copper represented by the underlying futures contract.

117101.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.

117101.E. Termination of Trading

(a) The Copper option contract shall expire at the close of trading four business days prior to the end of the month preceding the Copper option contract month; provided, however, that (1) if such day is a Friday, the expiration date shall be the preceding business day or (2) if such day is the day immediately prior to an Exchange holiday, the expiration date shall be the preceding business day. In the event that the official Exchange holiday schedule changes subsequent to the listing of a Copper option, the originally

listed expiration date shall remain in effect. In the event that the originally listed expiration day is declared a holiday, expiration shall be the business day immediately prior.

(b) A Copper option which is subject to automatic exercise shall be exercised in accordance with the rules and procedures of the Clearinghouse. Beginning with the January 2015 contract month and beyond and, notwithstanding Rule 300.08, Copper option contracts shall be exercised automatically as determined by the underlying futures settlement price, with no contrary instructions. All Copper option contracts with at least one minimum price increment in-the-money shall be exercised and all Copper option contracts with zero intrinsic value shall be abandoned with no contrary instructions.

117101.F. Type Option

117101.F. Exercise

~~The option is an American-style option which can be exercised on any business day prior to and until expiration day.~~

At expiry, a Copper futures option in the money will be automatically exercised and an out of the money option will be automatically abandoned unless contrary instructions are submitted. A notice of exercise must be given to the Clearing Member no later than 4:30 EST on the option expiration date.

(a) Notice of exercise of an option shall be presented to the Clearinghouse in accordance with such rules and procedures as the Clearinghouse may adopt.

(b) On the same day the Clearinghouse receives a notice of exercise of an option or automatically exercises an option the Clearinghouse shall allocate exercised options in accordance with its rules. On the following business day the Clearinghouse shall notify clearing members which of its short options were exercised.

(c) Clearing members shall make every effort to notify prior to 9:00 a.m. (New York time) on the following business day the grantor of any option who is allocated an exercised option. Clearing members shall, also, make every effort to notify prior to 9:00 a.m. (New York time) on the business day following the expiration of an option the grantor of any in-the-money option who is not allocated an exercised option.

d) A notice of exercise of a Copper futures option cannot be transferred or assigned. A member receiving a notice of exercise of a Copper futures call option shall be entered as the seller of a Copper futures contract for delivery in the month corresponding to the option contract month at the strike price of the Copper futures call option and a member receiving a notice of exercise of a put futures option shall be entered as the purchaser of a Copper futures contract for the delivery month corresponding to the option contract month at the strike price of the Copper futures put option.

117101.G. Type of Option

The option is an American-style option which can be exercised on any business day prior to and until expiration day.

Special Price Fluctuation Limits

~~At the commencement of each trading day, the contract shall be subject to special fluctuation limits as set forth in Rule 589 and in the Special Price Fluctuation Limits Table in the Interpretations & Special Notices Section of Chapter 5.~~

117102. EXERCISE PRICES

(aA) For the first three (3) trading months, strike prices for Copper option contracts shall be in the following increments per pound of copper for all trading months at an interval of one cent (\$.01). Trading in puts and calls on the first day of a new option contract month shall be at the following forty-one strike prices: (i) the previous day's settlement price for Copper futures contracts in the corresponding delivery month rounded off to the nearest strike price unless such settlement price is precisely midway between two strike prices, in which case it shall be rounded off to the higher price; (ii) the twenty strike prices which are the twenty increments higher than the strike price described in subsection (aA)(i) of this rule; (iii) the twenty strike prices which are twenty increments lower than the strike price described in subsection (aA)(i) of this rule; thereafter, additional strike prices are added such that there shall be at least twenty

strike price increments above and below the at-the-money option; (iv) an additional ten strike prices for both call and put options shall be listed at \$.05 increments above the highest one cent increment as described in subsection (a)(A)(ii) of this rule, beginning with the first available such strike that is evenly divisible by \$.25; and (v) an additional ten strike prices for both call and put options shall be listed at \$.05 increments below the lowest five-cent increment as described in subsection (a)(iii) of this rule, beginning with the first available such strike that is evenly divisible by \$.25.

(b) For all other trading months, if the underlying futures price is less than \$2.00 per pound, strike prices shall be the same as in subsection (a) of this rule. If the underlying futures price is greater than \$2.00 per pound, strike prices for Copper option contracts shall be in the following increments per pound of copper at an interval of five cents (\$.05). Trading in puts and calls on the first day of a new option contract month shall be at the following twenty strike prices: (i) the previous day's settlement price for Copper futures contracts in the corresponding delivery month rounded off to the nearest \$.05 strike price unless such settlement price is precisely midway between two strike prices, in which case it shall be rounded off to the higher price; (ii) the twenty strike prices which are twenty \$.05 increments higher than the strike price described in subsection (b)(i) of this rule; (iii) the twenty \$.05 strike prices which are twenty increments lower than the strike price described in subsection (b)(i) of this rule; (iv) an additional ten strike prices for both call and put options shall be listed at \$.25 increments above the highest \$.05 increment as described in subsection (b)(ii) of this rule beginning with the first available such strike that is evenly divisible by \$.25; and (v) an additional ten strike prices for both call and put options shall be listed at \$.25 increments below the lowest \$.05 increment as described in subsection (b)(iii) of this rule, beginning with the first available such strike that is evenly divisible by \$.25.

(c) Notwithstanding the provisions of sections (a) and (b) of this rule, if the Exchange determines that trading in Copper ~~option~~ Option contracts ~~shall~~ will be facilitated thereby, the Exchange may, by resolution, change the increments between strike prices, the number of strike prices which shall be traded on the first day in any new option contract month, the price of the Copper futures contract at which a new strike price ~~shall~~ will be introduced on each business day, or the period preceding the expiration of a Copper option contract in which no new strike prices may be introduced.

~~(d) In addition to strike prices authorized pursuant to other sections of this rule, the Exchange may direct that additional strike prices be added.~~

117103. SPECIAL PRICE FLUCTUATION LIMITS

At the commencement of each trading day, the contract shall be subject to special price fluctuation limits as to set forth in Rule 589 and in the Special Price Fluctuation Limits Table in the Interpretations & Special Notices Section of Chapter 5.

Appendix B

COMEX RULEBOOK

(additions underlined; deletions ~~overstruck~~)

Chapter 115 Gold Option

115100. SCOPE OF CHAPTER

This chapter is limited in application to put and call options on Gold futures contracts. In addition to the rules of this chapter, transactions in options on Gold futures shall be subject to the general rules of the Exchange insofar as applicable.

115101. OPTION CHARACTERISTICS

The number of months open for trading at a given time shall be determined by the Exchange.

For each Gold Option month traded on the Exchange, the underlying Gold Futures contract month shall be the February, April, June, August, October, or December Gold Futures contract, determined as follows:

<u>Option Contract Months Listed</u>	<u>Exercise into Underlying Futures</u>
January, February	February
March, April	April
May, June	June
July, August	August
September, October	October
November, December	December

115101.A. Trading Schedule

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

115101.B. Trading Unit

A Gold put or call option contract traded on the Exchange represents an option to assume a short or long position in the underlying futures contract traded on the Exchange.

115101.C. Price Increments

Prices shall be quoted in dollars and cents per ounce. The minimum price increment will be \$0.10 per troy ounce of Gold.

115101.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.

115101.E. Termination of Trading

A Gold option shall expire at the close of trading four business days prior to the end of the month preceding the option contract month; provided, however, that (1) if such day is

a Friday, the expiration date shall be the preceding business day or (2) if such day is the day immediately prior to an Exchange holiday, the expiration date shall be the preceding business day. In the event that the official Exchange holiday schedule changes subsequent to the listing of a Gold futures option, the originally listed expiration date shall remain in effect. In the event that the originally listed expiration day is declared a holiday, expiration will move to the business day immediately prior.

115101.F. Exercise

At expiry, a Gold futures option in the money will be automatically exercised and an out of the money option will be automatically abandoned unless contrary instructions are submitted. A notice of exercise must be given to the Clearing Member no later than 4:30 EST on the option expiration date.

(a) Notice of exercise of an option shall be presented to the Clearinghouse in accordance with such rules and procedures as the Clearinghouse may adopt.

(b) On the same day the Clearinghouse receives a notice of exercise of an option or automatically exercises an option the Clearinghouse shall allocate exercised options in accordance with its rules. On the following business day the Clearinghouse shall notify clearing members which of its short options were exercised.

(c) Clearing members shall make every effort to notify prior to 9:00 a.m. (New York time) on the following business day the grantor of any option who is allocated an exercised option. Clearing members shall, also, make every effort to notify prior to 9:00 a.m. (New York time) on the business day following the expiration of an option the grantor of any in-the-money option who is not allocated an exercised option.

d) A notice of exercise of a Gold futures option cannot be transferred or assigned. A member receiving a notice of exercise of a Gold futures call option shall be entered as the seller of a Gold futures contract for delivery in the month corresponding to the option contract month at the strike price of the Gold futures call option and a member receiving a notice of exercise of a put futures option shall be entered as the purchaser of a Gold futures contract for the delivery month corresponding to the option contract month at the strike price of the Gold futures put option.

115101.G. Type of Option

The option is an American-style option which can be exercised on any business day prior to and until expiration day.

115102.

EXERCISE PRICES

(A) Strike prices shall be in increments per troy ounce of gold for all trading months as described below. Trading in puts and calls on the first day of a new option contract month shall be at the following one hundred seventeen strike prices:

(i) the previous day's settlement price for gold futures contracts in the corresponding delivery month rounded off to the nearest strike price unless such settlement price is precisely midway between two strike prices, in which case it shall be rounded off to the higher price;

(ii) the forty \$5 strike prices which are forty \$5 increments higher than the strike price described in (i) of this Rule 115102.(A);

(iii) the forty \$5 strike prices which are forty increments lower than the strike price described in (i) of this Rule 115102.(A);

(iv) an additional ten strike prices for both call and put options will be listed at \$10.00 increments above the highest five dollar increment as described in (ii) of this Rule 115102.(A), beginning with the first available such strike that is evenly divisible by \$10.00;

(v) an additional ten strike prices for both call and put options will be listed at \$10.00 increments below the lowest five dollar increment as described in (iii) of this Rule 115102.(A), beginning with the first available such strike that is evenly divisible by \$10.00;

(vi) an additional eight strike prices for both call and put options will be listed at \$25.00 increments above the highest \$10.00 increments as described in (iv) of this Rule 115102.(A), beginning with the first available such strike that is evenly divisible by \$25.00;

(vii) an additional eight strike prices for both call and put options will be listed at \$25.00 increments below the lowest \$10 increment as described in (v) of this Rule 115102.(A) beginning with the first available such strike that is evenly divisible by \$25.00.

(B) At all times, there shall be at least forty \$5 strike prices above and below the at-the-money strike price, ten \$10.00 strike prices above and below the at-the-money strike price, and eight \$25.00 strike prices above and below the at-the-money strike price.

(C) Notwithstanding the provisions of subsections (A) and (B) of this Rule, if the Exchange determines that trading in Gold Option contracts will be facilitated thereby, the Exchange may, by resolution, change the increments between strike prices, the number of strike prices which shall be traded on the first day in any new option contract month, the number of new strike prices which will be introduced on each business day or the period preceding the expiration of a Gold Option contract in which no new strike prices may be introduced.

115103. SPECIAL PRICE FLUCTUATION LIMITS

At the commencement of each trading day, the contract shall be subject to special fluctuation limits as set forth in Rule 589 and in the Special Price Fluctuation Limits Table in the Interpretations & Special Notices Section of Chapter 5.

Chapter 116
Silver Option

116100. SCOPE OF CHAPTER

This chapter is limited in application to put and call options on Silver futures contracts. In addition to the rules of this chapter, transactions in options on Silver futures shall be subject to the general rules of the Exchange insofar as applicable.

116101. OPTION CHARACTERISTICS

The number of months open for trading at a given time shall be determined by the Exchange.

For each Silver Option month traded on the Exchange, the underlying Silver Futures contract month shall be the March, May, July, September, or December Silver Futures contract, determined as follows:

<u>Option Contract Months Listed</u>	<u>Exercise into Underlying Futures</u>
January, February, March	March
April, May	May
June, July	July
August, September	September
October, November, December	December

116101.A. Trading Schedule

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

116101.B. Trading Unit

A Silver put or call option contract traded on the Exchange represents an option to assume a short or long position in the underlying futures contract traded on the Exchange.

116101.C. Price Increments

Prices shall be quoted in dollars and cents per ounce. The minimum price increment will be one-tenth of one cent per troy ounce of silver.

116101.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.

116101.E. Termination of Trading

A Silver option shall expire at the close of trading four business days prior to the end of the month preceding the option contract month; provided, however, that (1) if such day is a Friday, the expiration date shall be the preceding business day or (2) if such day is the day immediately prior to an Exchange holiday, the expiration date shall be the preceding business day. In the event that the official Exchange holiday schedule changes subsequent to the listing of a Silver futures option, the originally listed expiration date shall remain in effect. In the event that the originally listed expiration day is declared a holiday, expiration will move to the business day immediately prior.

116101.F. Exercise

At expiry, a Silver futures option in the money will be automatically exercised and an out of the money option will be automatically abandoned unless contrary instructions are submitted. A notice of exercise must be given to the Clearing Member no later than 4:30 EST on the option expiration date.

(a) Notice of exercise of an option shall be presented to the Clearinghouse in accordance with such rules and procedures as the Clearinghouse may adopt.

(b) On the same day the Clearinghouse receives a notice of exercise of an option or automatically exercises an option the Clearinghouse shall allocate exercised options in accordance with its rules. On the following business day the Clearinghouse shall notify clearing members which of its short options were exercised.

(c) Clearing members shall make every effort to notify prior to 9:00 a.m. (New York time) on the following business day the grantor of any option who is allocated an exercised option. Clearing members shall, also, make every effort to notify prior to 9:00 a.m. (New York time) on the business day following the expiration of an option the grantor of any in-the-money option who is not allocated an exercised option.

d) A notice of exercise of a Silver futures option cannot be transferred or assigned. A member receiving a notice of exercise of a Silver futures call option shall be entered as the seller of a Silver futures contract for delivery in the month corresponding to the option contract month at the strike price of the Silver futures call option and a member receiving a notice of exercise of a put futures option shall be entered as the purchaser of a Silver futures contract for the delivery month corresponding to the option contract month at the strike price of the Silver futures put option.

116101.G. Type of Option

The option is an American-style option which can be exercised on any business day prior to and until expiration day.

116102.

EXERCISE PRICES

Trading shall be conducted for options with strike prices in increments as set forth below.

(A) Strike prices will be listed with forty (40) strike prices in \$0.25 increments above and below the at-the-money strike price. If the underlying futures price is less than \$10.00 per ounce, ten (10) strike prices in increments of \$0.10 above or below the at-the-money strike price will be listed in addition to the \$0.25 increment.

(B) Notwithstanding the provisions of subsection (A) of this Rule, if the Exchange determines that trading in Silver Option contracts will be facilitated thereby, the Exchange may, by resolution, change the increments between strike prices, the number of strike prices which shall be traded on the first day in any new option contract month, the number of new strike prices which will be introduced on each business day or the period preceding the expiration of a Silver Option contract in which no new strike prices may be introduced.

116103.

SPECIAL PRICE FLUCTUATION LIMITS

At the commencement of each trading day, the contract shall be subject to special fluctuation limits as set forth in Rule 589 and in the Special Price Fluctuation Limits Table in the Interpretations & Special Notices Section of Chapter 5.

Chapter 117
Copper Option

117100. SCOPE OF CHAPTER

This chapter is limited in application to put and call options on Copper futures contracts. In addition to the rules of this chapter, transactions in options on Copper futures shall be subject to the general rules of the Exchange insofar as applicable.

117101. OPTION CHARACTERISTICS

The number of months open for trading at a given time shall be determined by the Exchange.

For each Copper Option month traded on the Exchange, the underlying Copper Futures contract month shall be the March, May, July, September, or December Copper Futures contract, determined as follows:

<u>Option Contract Months Listed</u>	<u>Exercise into Underlying Futures</u>
January, February, March	March
April, May	May
June, July	July
August, September	September
October, November, December	December

117101.A. Trading Schedule

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

117101.B. Trading Unit

A Copper put or call option contract traded on the Exchange represents an option to assume a short or long position in the underlying futures contract traded on the Exchange.

117101.C. Price Increments

Prices shall be quoted in dollars and cents and prices shall be in multiples of five one-hundredths of one cent per pound of copper represented by the underlying futures contract.

117101.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.

117101.E. Termination of Trading

A Copper option shall expire at the close of trading four business days prior to the end of the month preceding the option contract month; provided, however, that (1) if such day is a Friday, the expiration date shall be the preceding business day or (2) if such day is the day immediately prior to an Exchange holiday, the expiration date shall be the preceding business day. In the event that the official Exchange holiday schedule changes subsequent to the listing of a Copper futures option, the originally listed expiration date shall remain in effect. In the event that the originally listed expiration day is declared a holiday, expiration will move to the business day immediately prior.

117101.F. Exercise

At expiry, a Copper futures option in the money will be automatically exercised and an out of the money option will be automatically abandoned unless contrary instructions are submitted. A notice of exercise must be given to the Clearing Member no later than 4:30 EST on the option expiration date.

(a) Notice of exercise of an option shall be presented to the Clearinghouse in accordance with such rules and procedures as the Clearinghouse may adopt.

(b) On the same day the Clearinghouse receives a notice of exercise of an option or automatically exercises an option the Clearinghouse shall allocate exercised options in accordance with its rules. On the following business day the Clearinghouse shall notify clearing members which of its short options were exercised.

(c) Clearing members shall make every effort to notify prior to 9:00 a.m. (New York time) on the following business day the grantor of any option who is allocated an exercised option. Clearing members shall, also, make every effort to notify prior to 9:00 a.m. (New York time) on the business day following the expiration of an option the grantor of any in-the-money option who is not allocated an exercised option.

d) A notice of exercise of a Copper futures option cannot be transferred or assigned. A member receiving a notice of exercise of a Copper futures call option shall be entered as the seller of a Copper futures contract for delivery in the month corresponding to the option contract month at the strike price of the Copper futures call option and a member receiving a notice of exercise of a put futures option shall be entered as the purchaser of a Copper futures contract for the delivery month corresponding to the option contract month at the strike price of the Copper futures put option.

117101.G. Type of Option

The option is an American-style option which can be exercised on any business day prior to and until expiration day.

117102.

EXERCISE PRICES

(A) For the first three (3) trading months, strike prices for Copper option contracts shall be in the following increments per pound of copper for all trading months at an interval of one cent (\$.01). Trading in puts and calls on the first day of a new option contract month shall be at the following forty-one strike prices: (i) the previous day's settlement price for Copper futures contracts in the corresponding delivery month rounded off to the nearest strike price unless such settlement price is precisely midway between two strike prices, in which case it shall be rounded off to the higher price; (ii) the twenty strike prices which are the twenty increments higher than the strike price described in subsection (A)(i) of this rule; (iii) the twenty strike prices which are twenty increments lower than the strike price described in subsection (b)(i) of this rule; thereafter, additional strike prices are added such that there shall be at least twenty strike price increments above and below the at-the-money option; (iv) an additional ten strike prices for both call and put options shall be listed at \$.05 increments above the highest one cent increment as described in subsection ((a)(ii) of this rule, beginning with the first available such strike that is evenly divisible by \$.25; and (v) an additional ten strike prices for both call and put options shall be listed at \$.05 increments below the lowest five-cent increment as described in subsection (a)(iii) of this rule, beginning with the first available such strike that is evenly divisible by \$.25.

(B) For all other trading months, if the underlying futures price is less than \$2.00 per pound, strike prices shall be the same as in subsection (a) of this rule. If the underlying futures price is greater than \$2.00 per pound, strike prices for Copper option contracts shall be in the following increments per pound of copper at an interval of five cents (\$.05). Trading in puts and calls on the first day of a new option contract month shall be at the following twenty strike prices: (i) the previous day's settlement price for Copper futures contracts in the corresponding delivery month rounded off to the nearest \$.05 strike price unless such settlement price is precisely midway between two strike prices, in which case it shall be rounded off to the higher price; (ii) the twenty strike prices which are twenty

\$.05 increments higher than the strike price described in subsection (b)(i) of this rule; (iii) the twenty \$.05 strike prices which are twenty increments lower than the strike price described in subsection (b)(i) of this rule; (iv) an additional ten strike prices for both call and put options shall be listed at \$.25 increments above the highest \$.05 increment as described in subsection (B)(ii) of this rule beginning with the first available such strike that is evenly divisible by \$.25; and (v) an additional ten strike prices for both call and put options shall be listed at \$.25 increments below the lowest \$.05 increment as described in subsection (b)(iii) of this rule, beginning with the first available such strike that is evenly divisible by \$.25.

(C) Notwithstanding the provisions of subsections (A) and (B) of this Rule, if the Exchange determines that trading in Copper Option contracts will be facilitated thereby, the Exchange may, by resolution, change the increments between strike prices, the number of strike prices which shall be traded on the first day in any new option contract month, the number of new strike prices which will be introduced on each business day, or the period preceding the expiration of a Copper Option contract in which no new strike prices may be introduced.

117103.

SPECIAL PRICE FLUCTUATION LIMITS

At the commencement of each trading day, the contract shall be subject to special fluctuation limits as set forth in Rule 589 and in the Special Price Fluctuation Limits Table in the Interpretations & Special Notices Section of Chapter 5.