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OFFICE OF THE SECRETARIAT

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May 18, 2010

Mr. David Stawick  
Office of the Secretariat  
Commodity Futures Trading Commission  
Three Lafayette Centre  
1155 21st Street, N.W.  
Washington, DC 20581

**RE: CME Chapter 204  
REVISED Exchange Certification for U.S. Dollar Cash Settled  
Crude Palm Oil Futures.  
CME Submission No. 10-136**

Dear Mr. Stawick:

In Chicago Mercantile Exchange Inc.'s ("CME" or "Exchange") Submission No. 10-064 certifying U.S. dollar cash settled Crude Palm Oil futures it was noted that the August 2010 contract would be the first expiration. However, upon further review it has been determined by the Exchange that the first expiration will be the September 2010 contract. Launch date for the contract is still scheduled for May 24, 2010 and there have been no other changes to the contract.

The Exchange certifies that these contract terms and conditions comply with the Commodity Exchange Act and regulations thereunder.

If you require any additional information, please contact David Lehman at 312-930-1875 or via e-mail at [David.Lehman@cmegroup.com](mailto:David.Lehman@cmegroup.com); John Hill at 312-930-1852 or via e-mail at [John.Hill@cmegroup.com](mailto:John.Hill@cmegroup.com); or contact me at 312-648-5422. Please reference our CME Submission No. 10-136 in any related correspondence.

Sincerely,

/s/ Stephen M. Szarmack  
Regulatory Counsel

Attachment

8240

Mr. David Stawick  
May 18, 2010

## **Text of Contract Rules**

### **Chapter 204 U.S. Dollar Cash Settled Crude Palm Oil Futures**

#### **20400. SCOPE OF CHAPTER**

This chapter is limited in application to U.S. dollar cash settled crude palm oil futures. The procedures for trading, clearing and settlement, and any other matters not specifically covered herein shall be governed by the rules of the Exchange.

#### **20401. CONTRACT SPECIFICATIONS**

Each futures contract shall be valued at 25 metric tons times the price of the corresponding CPO contract traded on the Chicago Mercantile Exchange, in US dollars per metric ton, as described in this Chapter.

#### **20402. FUTURES CALL**

##### **20402.A. Trading Schedule**

Futures contract shall be scheduled for trading during such hours and for final settlement in such months as may be determined by the Board of Directors.

##### **20402.B. Trading Unit**

The unit of trading shall be 25 metric tons of crude palm oil.

##### **20402.C. Price Increments**

Minimum price fluctuations shall be in multiples of \$0.25 per metric ton (\$6.25 per contract).

##### **20402.D. Daily Price Limits**

There shall be no trading at a price more than 10% above or below the previous day's settlement price, unless the Bursa Malaysia Derivatives Berhad contract is trading at expanded limits, in which case the same expanded limits shall apply.

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**20402.E. Position Limits**

No person shall own or control more than:

1. 1,000 contracts net long or net short for all contract months combined.
2. 1,000 net long or net short in any single contract month excluding the spot month.
3. 500 contracts net long or net short in the spot month.

**20402.F. Accumulation of Positions**

For purposes of this rule, the positions of all accounts directly or indirectly owned or controlled by a person or persons, and the positions of all accounts acting pursuant to an expressed or implied agreement or understanding, and the positions of all accounts in which a person or persons having a proprietary or beneficial interest, shall be cumulated.

**20402.G. Exemptions**

The foregoing position limits shall not apply to bona fide hedging positions meeting the requirements of Regulation 1.3(z)(1) of the CFTC and the rules of the Exchange and shall not apply to other positions exempted pursuant to Rule 559.

**20402.H. Termination of Trading**

Trading shall terminate on the 15th calendar day two months prior to becoming the delivery month. If the 15<sup>th</sup> calendar day is not a business day, trading shall terminate on the on the preceding calendar day that is also a business day.

**20402.I. Contract Modifications**

Specifications shall be fixed as of the first day of trading of a contract, except that if any federal governmental agency issues an order, ruling, directive, or law that conflicts with the requirements of these rules, such order, ruling, directive, or law shall be construed to take precedence and become part of these rules, and all open and new contracts shall be subject to such government orders.

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**20403. SETTLEMENT PROCEDURES**

**20403.A. Final Settlement**

There shall be no delivery of crude palm oil in settlement of this contract. All contracts open as of the termination of trading shall be cash settled to the average price of the corresponding FCPO contract traded on the Bursa Malaysia Derivatives Berhad during the last five trading days two months prior to becoming the delivery month. For each of the five-day calculation, the daily settlement price will be converted to USD and rounded to the nearest \$0.25 using the Association of Banks in Singapore's 11:00 am (Singapore time) MYR spot price. The five daily prices are then averaged to produce the final settlement price.

**20404.-07. [RESERVED]**

**20408. ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES**

(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES)

(End of Chapter 204)