

SUBMISSION COVER SHEET

IMPORTANT: Check box if Confidential Treatment is requested

Registered Entity Identifier Code (optional): 15-469 (1 of 2)

Organization: New York Mercantile Exchange, Inc. ("NYMEX")

Filing as a: DCM SEF DCO SDR

Please note - only ONE choice allowed.

Filing Date (mm/dd/yy): 11/04/2015 Filing Description: Amendments to NYMEX/COMEX Chapter 7 ("Delivery Facilities and Procedures")

SPECIFY FILING TYPE

Please note only ONE choice allowed per Submission.

Organization Rules and Rule Amendments

- | | | |
|--------------------------|-------------------------------------|------------|
| <input type="checkbox"/> | Certification | § 40.6(a) |
| <input type="checkbox"/> | Approval | § 40.5(a) |
| <input type="checkbox"/> | Notification | § 40.6(d) |
| <input type="checkbox"/> | Advance Notice of SIDCO Rule Change | § 40.10(a) |
| <input type="checkbox"/> | SIDCO Emergency Rule Change | § 40.10(h) |

Rule Numbers:

New Product

Please note only ONE product per Submission.

- | | | |
|--------------------------|---------------------------------------|------------|
| <input type="checkbox"/> | Certification | § 40.2(a) |
| <input type="checkbox"/> | Certification Security Futures | § 41.23(a) |
| <input type="checkbox"/> | Certification Swap Class | § 40.2(d) |
| <input type="checkbox"/> | Approval | § 40.3(a) |
| <input type="checkbox"/> | Approval Security Futures | § 41.23(b) |
| <input type="checkbox"/> | Novel Derivative Product Notification | § 40.12(a) |
| <input type="checkbox"/> | Swap Submission | § 39.5 |

Official Product Name:

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

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

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

Rule Numbers: Chapter 7

November 4, 2015

VIA ELECTRONIC PORTAL

Mr. 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(a) Certification. Notification Regarding Amendments to NYMEX/COMEX Chapter 7 (“Delivery Facilities and Procedures”). NYMEX Submission No. 15-469 (1 of 2)

Dear Mr. Kirkpatrick:

In connection with the listing of the Lead Futures contract physically delivered in the Continental United States and the European Union on November 23, 2015, 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 amendments to NYMEX/COMEX Rulebook Chapter 7 (“Delivery Facilities and Procedures”), Rule 703 (“Designation and Obligations of Metal Service Providers”), and Rule 705 (“Metals Warrants”) in order to incorporate the conditions for onboarding of warehouses, load-out, and registration of lead for delivery against COMEX’s Lead Futures contract.

The territory for the storage of lead delivered against the Lead Futures contract shall include the Continental United States and the European Union. The registration, delivery instrument (electronic warrant) and delivery procedures for lead shall be the same as those for all other physically delivered metals listed on the Exchanges. The load out procedures for lead shall follow the same process as those of the Exchange’s base metal complex by giving preference to the load out of lead represented by COMEX cancelled warrants via primary conveyance (i.e., load out of COMEX lead via primary conveyance is given preference to load outs resulting from the warehouses’ cash business dealings).

In addition, the Exchange is amending Rule 705 to add that a warrant issued for zinc shall be from a single brand.

NYMEX/COMEX Chapter 7, Rules 703 and 705 are set forth in Appendix A, with additions underscored and deletions ~~overstruck~~.

These amendments shall be effective with the listing of the Lead Futures contract on November 23, 2015.

The Exchanges reviewed the designated contract market core principles (“Core Principles”) as set forth in the Commodity Exchange Act (“Act”) and identified that the amendments to NYMEX/COMEX Rulebook Chapter 7 may have some bearing on the following Core Principle:

Availability of General Information: In order to ensure that market participants are apprised of the amendments to NYMEX/COMEX Chapter 7, the Exchanges will issue a CME Group Market Surveillance Notice and a Registrar’s Office Notice to the marketplace notifying them of the implementation of these amendments in advance of the amendments becoming effective. The

issuance of the Market Surveillance Notice and the Registrar's Office Notice constitutes compliance with this Core Principle.

The Exchanges certify that the amendments to Chapter 7 of the NYMEX/COMEX Rulebook comply with the Act and regulations thereunder. There were no opposing views to the amendments to Chapter 7.

The Exchanges certify that this submission has been concurrently posted on the CME Group website at <http://www.cmegroup.com/market-regulation/rule-filings.html>.

If you require any additional information, please e-mail CMEGSubmissionInquiry@cmegroup.com or contact the undersigned at 212-299-2200.

Sincerely,

/s/ Christopher Bowen
Managing Director and Chief Regulatory Counsel

Attachment: Appendix A – Amendments to NYMEX/COMEX Rulebook Chapter 7

Appendix A

NYMEX/COMEX Rulebook

Chapter 7

DELIVERY FACILITIES AND PROCEDURES

(additions underlined; deletions ~~overstruck~~)

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

DESIGNATION AND OBLIGATIONS OF METAL SERVICE PROVIDERS**703.A. Conditions for Approval**

Depositories for the storage of gold, silver, platinum and/or palladium, and warehouses for the storage of aluminum, copper, lead and/or zinc, (hereafter "facilities") may be declared regular for delivery with the approval of the Exchange. Persons operating facilities who desire to have such facilities 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 prior to May 1 of an odd-numbered year, for a two-year term beginning July 1 of that year, and at any time during the current term for the balance of that term.

Applications for a renewal of regularity shall be made prior to May 1 of odd-numbered years for the respective years beginning July 1 of those years, and shall be on the same form.

Facilities that desire to increase their regular capacity during a current term shall make application for the desired amount of total regular capacity on the same form.

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.

Regular facilities that wish to have their regular capacity space decreased shall file with the Exchange a written request for such decrease and such decrease shall become effective once a notice has been posted by the Exchange.

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 facility 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 facility shall comply:

- (1) The facility shall provide such guarantees, bonds or other financial instruments to the Exchange as may be required to guaranty the performance of its obligations pursuant to these Rules and any conditions set forth in the conditions for approval.
- (2) On an annual basis, the facility shall provide the Exchange with copies of audited financial statements of the facility, and its parent company (as applicable) within 90 days of the firm's year end. Financial statements must be audited in accordance with U.S. Generally Accepted Accounting Principles or other international financial standards as deemed acceptable by the Exchange. Additionally, the facility must provide the Exchange with notice of any substantial reduction in capital as compared to the most recent filing of a financial report.
- (3) No depository or copper warehouse shall be declared regular for the storage of a metal unless it has in force and effect all-risk insurance against loss of the metal in such amount, issued by such insurance companies, and upon such terms and conditions as are satisfactory to the Exchange. No aluminum, lead or zinc warehouse shall be declared regular for the storage of metal unless it has in force and effect warehouseman's legal liability insurance issued by such insurance companies and upon such terms and conditions as are satisfactory to the Exchange. All policies evidencing such facility insurance shall provide for at least ninety (90) days prior written notice, to the Exchange, of cancellation, change in the policy terms and/or premiums. The continued maintenance of such facility insurance shall be a condition to the continued declaration of regularity. On an annual basis, all facilities must provide to the Exchange documents sufficient to satisfy the Exchange that the required insurance is in full force and effect.
- (4) The facility shall be open at all times to inspection by any representative of the Exchange, the CFTC or the U.S. Department of Justice. The facilities 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 and records shall be available to inspection by any representative of the Exchange, the CFTC or the U.S. Department of Justice.
- (5) The facility shall permit the Exchange, at any time, to examine any and all books and records of the facility, for the purpose of ascertaining the stocks relating to metal which may be on hand. The Exchange shall have the authority to determine the quantity of metal in the facility and to compare the books and records of the facility with the records of the Exchange.
- (6) The facility, at its sole cost and expense, shall have conducted by an independent auditor an

annual audit of inventory and inventory reporting to the Exchange which shall be in compliance with the procedures established by the Exchange. Each audit report shall be filed with the Exchange within thirty (30) days of the date of the completion of the audit.

- (7) The facility shall be required to report inventory to the Exchange as prescribed herein. The inventory shall include eligible and registered metal. Eligible metal shall mean all such metal that is acceptable for delivery against the applicable metal futures contract for which a warrant has not been issued. Registered metal shall mean an eligible metal for which a warrant has been issued. All information pursuant to this section shall be transmitted to the Registrar no later than 2:00 p.m., for gold stock for delivery against the Gold Kilo futures contract, 6:00 p.m. local Hong Kong time, on the business day following the day on which the facility comes into possession of relevant information. In addition to containing all relevant information for the preceding business day, notifications pursuant to this section sent by 2:00 p.m., for gold stock for delivery against the Gold Kilo futures contract, 6:00 p.m. local Hong Kong time, on a Tuesday shall include all relevant information for the last business day as well as the Saturday and Sunday immediately preceding the Tuesday on which the notification is made.

In addition, on a daily basis, the facility shall provide, in an Exchange-approved format, the following information regarding its stocks:

- a. The total quantity of registered metal stored at the facility.
 - b. The total quantity of eligible metal stored at the facility.
 - c. The quantity of eligible metal and registered metal received and shipped from the facility.
- (8) All officers, directors, employees and agents of the facility shall be prohibited from revealing any information regarding customers who have dealings with the facility or regarding metal deposits or withdrawals to any persons or firms except as permitted by the Exchange.

In the event the facility or any of its respective parent, subsidiaries or affiliates, engage in any trading activity, whether directly or indirectly, in the metals contract(s) for which the facility has received approval for regularity, the facility shall institute controls to protect the confidentiality of the users of the facility.

On an annual basis, the facility, at its sole cost and expense, shall have conducted by an independent auditor acceptable to the Exchange, an annual audit of the controls in place between the regular facility and any party who engages in trading activity, whether directly or indirectly affiliated with the facility. Such audit shall be carried out in accordance with such standard as deemed acceptable by the Exchange. Such audit shall be filed with the Exchange upon completion of the audit, not to exceed 90 days from the firm's year-end.

- (9) The facility 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.
- (10) The facility is not required to own the storage space and may lease the storage space upon such terms and conditions as are satisfactory to the Exchange. The facility may also enter into a service arrangement pursuant to which an agent or contractor performs the daily operations of the storage facility upon such terms and conditions as are satisfactory to the Exchange. The facility shall be responsible for the conduct of its agents and contractors.
- (11) The depository shall provide a fully secured indoor facility for the storage of precious metal, as acceptable to the Exchange. The depository for gold, platinum and palladium must be accessible by armored car. The depository for gold deliverable against the Gold futures (GC) contract must qualify and be designated a weighmaster and must be located within a 150-mile radius of the City of New York. The depository for gold deliverable against the Gold Kilo futures (GCK) contract must be located in Hong Kong Special Administrative Region of the People's Republic of China.
- (12) The warehouse regular for delivery of copper, lead and zinc shall provide a fully secured indoor facility for the storage of copper, lead and zinc, as acceptable to the Exchange. The warehouse regular for delivery of copper and zinc must have direct unobstructed access to both a truck bay and rail. The warehouse regular for delivery of aluminum must consist of designated indoor and outdoor fully secured storage sheds. The warehouse regular for delivery of aluminum and lead must have direct unobstructed access to a truck bay and/or rail. The warehouse regular for delivery of aluminum, lead and zinc must also qualify and be designated a weighmaster.

(13) Aluminum, copper and zinc warehouses must be located in the Continental United States. Lead warehouses can be located in the Continental United States and/or within the European Union.

(1314) The facility shall promptly advise the Exchange of any damage to metal held in store by it, whenever such damage shall occur to an extent that will render the metal undeliverable.

The Exchange, in its sole discretion, may determine not to approve facilities for regularity, or for increases in regular capacity of existing regular facilities, regardless of whether such facilities meet the preceding requirements and conditions. Some factors that the Exchange may, but is not required to, consider in exercising its discretion include, among others, whether warrants issued by such facilities, if tendered in satisfaction of futures contracts, might be expected to adversely affect the price discovery function of futures contracts or impair the efficacy of futures trading in the relevant market, or whether the currently regular capacity provides for an adequate deliverable supply.

The Exchange shall designate and approve the metal brands deliverable against the metals futures contracts. Such brands must be produced by an Exchange approved producer and display the unique brand mark of the approved producer's specified facility that created such brand of metal.

The Exchange shall designate and approve metal producers whose function shall be a refiner or smelter whose products meet all Exchange brand requirements and metals specifications as prescribed herein or in the respective metal futures contract rule chapters and are acceptable for delivery against the applicable metal futures contract. A gold producer must also comply with current London Bullion Market Association (LBMA) Responsible Gold Guidance in order for such gold producer to obtain and maintain Exchange approval for delivery against any of the Exchange's physically delivered gold futures contracts.

The Exchange shall designate assayers for metals deliverable against the metals futures contracts. Exchange approved- assayers shall verify the metallurgical assay of Exchange approved metal brands in order to maintain the integrity of said brands deliverable against the metal futures contracts. In the event that the metallurgical assay of any brand shall be questioned, the Exchange shall refer the matter to said assayers.

The Exchange shall designate and approve an armored car company as a carrier whose function is to provide for the secure transportation of gold, platinum and palladium and shall maintain a chain of integrity for each such metal, as described in the applicable metals futures contract rule chapters.

The Exchange shall designate and approve a weighmaster whose function is to verify the weight of registered aluminum, copper, lead, gold, silver and zinc.

A service provider shall mean an assayer, carrier, producer, depository, warehouse or weighmaster designated, approved or declared regular by the Exchange. The Exchange, in its sole discretion, may determine not to approve service providers regardless of whether such service providers meet the preceding requirements and conditions.

Service providers 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.

Service providers shall consent to the disciplinary jurisdiction of the Exchange for five (5) years after such regularity lapses, for conduct which occurred while the facility was regular.

-The service provider shall immediately notify the Exchange, in writing of any actual change in control or ownership.

The service provider represents and warrants that all of the information in its application for approval or regularity is accurate. The service provider agrees that it has a continuing obligation to promptly notify the Exchange of any change in the information contained therein.

703.B. Load-Out

The facility represents and warrants that it shall schedule all shipments into or out of the facility on a first-come, first served, non-discriminatory basis and that it shall not constrain or promote the movement of registered metal and eligible metal into or out of the facility by:

1. Giving exceptional inducements or imposing unreasonable charges for depositing, storage or removal of metal into or out of the facility; or
 2. Taking or failing to take any action that affects a customer's ability to schedule the delivery or removal of metal from the facility.
 3. Failure to comply with the load out requirements as prescribed herein may subject a facility to Exchange disciplinary action.
- A. Load-Out Procedures for Precious Metals

In the event that a depository has not permitted the load out of metal represented by a NYMEX or COMEX cancelled warrant within five (5) business days after such warrant has been cancelled for load out (all applicable charges paid) then the depository shall immediately notify the Exchange, in writing, of the reason(s) for the delay. Upon receipt of such notification, the Exchange, at its discretion, may direct the depository not to accept additional metal for deposit until the Exchange directs it to do otherwise.

With the exception of gold deliverable against the Gold Kilo futures (GCK) contract, in the event that loading orders for precious metal represented by a NYMEX or COMEX cancelled warrant are received by the depository by the 20th day of the month, all precious metal represented by a NYMEX or COMEX cancelled warrant must be released for shipment no later than the close of business on the last day of that month, provided, however, that all storage charges are paid and warrant holder has presented the depository with all documents necessary to establish good title. If the depository fails to comply with the preceding sentence, the depository shall not charge the warrant holder for additional storage charges, provided, however, that the delay was not caused by the holder of a NYMEX or COMEX warrant cancelled for load out or their agent.

For load-out of gold deliverable against the Gold Kilo futures (GCK) contract, the depository is required to ship out of the depository gold at a minimum guaranteed daily load out rate of 2,000 gold bars each weighing 1 kilogram (equivalent to 2,000 contract units) per day for each business day, unless such day is a Hong Kong general holiday. If the depository fails to comply with the gold delivery and load-out Rules as prescribed above, the depository shall not charge the warrant holder for additional storage charges, provided, however, that the delay was not caused by the holder of a COMEX warrant cancelled for load out or their agent.

B. Load-Out Procedures for Base Metals

In the event that a warehouse has not permitted the load out of aluminum, lead or zinc represented by a COMEX cancelled warrant within twenty (20) business days (five (5) business days for copper) after such warrant has been cancelled for load out (all applicable charges paid) or in the event the warehouse has not met the minimum daily load out requirement, then the warehouse shall immediately notify the Exchange, in writing, of the reason(s) for the delay. Upon receipt of such notification, the Exchange, at its discretion, may direct, in writing, the warehouse not to accept additional base metal for deposit until the Exchange directs it to do otherwise.

If the warehouse fails to comply with the delivery and load-out Rules as prescribed herein, the warehouse shall not charge the warrant holder for additional storage charges, provided, however, that the delay was not caused by the holder of a COMEX warrant cancelled for load out or their agent.

The warehouse shall be required to load out metal beginning on the third business day following receipt of loading orders or after a conveyance of the type identified in the loading orders is constructively placed, whichever occurs later. For load out by rail, the warehouse shall be required to load out metal beginning on the third business day following receipt of loading orders or one business day after a rail car is constructively placed, whichever occurs later. Loading orders must be received no later than five business days after warrants are cancelled for load out. If loading orders are not received within five business days after warrants are cancelled for load out, the load out of such metal shall not be subject to the load-out Rules herein.

The regular warehouse is required to ship out of the warehouse metal at a minimum guaranteed daily load out rate of 2% of total inventory, with a minimum daily load out rate of 1,000 metric tons, for each business day (via primary conveyance for aluminum). In addition, the warehouse shall not be required to exceed the minimum daily load out rate of 500 metric tons for zinc, ~~or~~ 500 short tons for copper, unless otherwise prescribed in the Interpretations & Special Notices Related to Chapter 7, or 500 metric tons for lead (via primary conveyance). Preference is given to load out of metal represented by COMEX cancelled warrants (via primary conveyance for aluminum and lead). In the event the warehouse has load out orders for COMEX cancelled warrants representing multiple metal types, the warehouse shall load out each metal concurrently on a pro rata by commodity basis at their prescribed minimum load out rate. If the pro rata exceeds the minimum load out rate, the warehouse shall only be required to load out at the prescribed minimum load out rate. Total inventory shall be defined as the sum of all COMEX registered and eligible aluminum, lead, zinc and copper stored at the regular warehouse as reported to the Exchange on the first business day of the month.

The warehouse shall transmit to the Registrar by 11:00 a.m. Central Prevailing Time, the name, location of regular facility, the number of warrants cancelled for load out (via primary conveyance for aluminum and lead) and associated loading orders on a daily basis. The Registrar shall maintain a current record of the number of warrants cancelled for load out (via primary conveyance for aluminum and lead) and shall be responsible for posting this record on the Exchange website.

Alternate Load-Out Instructions via Alternate Conveyance for Aluminum and Lead: A party may elect to load out via an alternate conveyance, if available. Load-out via alternate conveyance shall be subject to the minimum guaranteed daily load out rate as published under the Interpretations & Special Notices Related to Chapter 7 contingent on any pending load-out orders submitted prior to the load-out order via alternate conveyance and shall be conducted on a first-come, first served, non-discriminatory basis.

703.C. Withdrawal or Revocation of Approved Status

The Business Conduct Committee may revoke a declaration of regularity whenever a regular facility 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 facility shall give six (6) months prior written notice to the Exchange prior to withdrawing from regularity.

If the designation of a facility as regular is withdrawn or revoked, a notice shall be posted announcing such withdrawal or revocation and the period of time, if any, during which the warrants issued by such facility shall thereafter be deliverable in satisfaction of futures contracts under the Rules.

If the facility withdraws or is revoked, the facility shall pay the cost of transferring all registered metal stored at the facility, to the closest facility having ample space to accept the registered metal. If any of the owners of the registered metal elect to have the registered metal transferred to a facility for metal other than as described in the preceding sentence, facility shall comply with the transfer request provided, however, that facility shall obtain reimbursement from the owner for costs and expenses in excess of those which it would incur in effecting the transfer pursuant to the preceding sentence.

The Exchange, in its sole discretion, may revoke from approved status any assayer, brand, carrier, producer or weighmaster.

705.

METAL WARRANTS

705.A. Procedures for the Issuance of Warrants

A warrant shall mean a document of title issued by a facility, meeting the requirements of Article 7 of the Uniform Commercial Code ("UCC"), and demonstrating that the referenced quantity of the covered metal, stored in the facility referenced thereon, meets the specifications of the applicable metal futures contract.

All warrants issued by a facility must be issued in the name of the clearing member and must be in a format approved by the Exchange. Warrants shall be lettered or numbered consecutively by each facility and no two warrants for the same metal shall bear an identical combination of letters and/or numbers. If letters are used, they must not exceed three (3) characters and if used in combination with numbers, they must precede the numbers. The numbers must not exceed 7 digits.

1. Within three (3) business days from receipt of any metal at a facility, the facility must (a) determine such metal's eligibility, (b) advise the owner if the metal is determined to be not eligible, and (c) if requested by the owner and provided the metal meets the contract specifications, issue a warrant. In addition, upon receipt of the 100 troy ounce gold bar by the depository for delivery against the Gold futures contract, the depository shall weigh each 100 troy ounce gold bar in the lot measured to 1/100 of a troy ounce (two decimal points). In accomplishing such measurement, each bar shall be weighed to the nearest 1/1000 of a troy ounce (three decimal points); weights of 4/1000 of a troy ounce or less shall be rounded down to the nearest 1/100 of a troy ounce and weights of 5/1000 of a troy ounce or more shall be rounded up to the nearest 1/100 of a troy ounce. If, due to capacity limitations or for any other reason, a facility is unable to meet such requirements, the facility shall notify the Exchange immediately and shall describe the reason(s) for such delay.
2. In issuing a warrant, facility shall be responsible for (a) verifying that the metal meets all of the specifications for the product in accordance with the product's terms and conditions as stated in the Exchange Rules, (b) verifying that the metal is of an approved brand, and (c) entering all

applicable information into the electronic delivery system. Additionally, in issuing a warrant for delivery against the Gold Kilo futures contract, the depository must confirm that the fineness, serial number and weight inscribed on the 1 kilogram gold bar match the fineness, serial number and weight of the gold indicated on the bar list provided by the approved producer.

3. A warrant shall be an electronic document, that is a transferable record under Article 3 of the UCC, and a document of title under Article 7 of the UCC, in a form approved by the Exchange and issued in compliance with this Rule, and shall be supported by such paper or other tangible documents as specified in this Rule. The facility shall enter in the electronic delivery system a reference to each paper or other tangible document(s) that is related to the warrant as specified in this Rule.
4. Warrants shall not be issued for more than or less than one contract unit. Each contract unit shall be delivered from a single facility. A warrant issued for aluminum shall be from a single brand and shall be made up exclusively of the deliverable grades in one of the three shapes as prescribed in the Aluminum futures contract Rules. A warrant issued for copper, lead or zinc shall be from a single brand. A warrant may be issued for gold, silver, platinum or palladium that co-mingles brands, provided such co-mingled brands are stored within the same facility.
5. A warrant shall be of unlimited duration and remain valid until cancelled by the facility that issued it.
6. The facility shall be solely responsible for insuring that no duplicate warrants are issued, printed or released by it.
7. In the event that any paper or other tangible document that supports a warrant has been damaged, lost, stolen or destroyed, facility shall issue a replacement document upon completion of its procedures for the replacement thereof.

705.B. Procedures for the Cancellation of Warrants

A warrant may be cancelled only by the facility that issued it and only upon endorsement from the clearing member to such facility in accordance with these Rules.

Upon request to the clearing member by the owner of the metal for delivery of a metal, the clearing member shall endorse in the electronic delivery system with delivery instructions ("the account of") and shall, upon request by the owner, issue to the owner a physical confirmation of such endorsement.

A facility shall have and maintain in fireproof secure document storage until five (5) years following cancellation of the applicable warrant, any documentation associated with such cancelled warrant as required by the metal futures contract.

[REMAINDER OF CHAPTER UNCHANGED]