

## **CBOT Denatured Fuel Ethanol Futures**

### **DRAFT**

<b><i>Product:</i></b>	Denatured Fuel Ethanol as specified in The American Society for Testing and Materials standard D4806 for “Denatured Fuel Ethanol for Blending with Gasolines for Use as Automotive Spark-Ignition Engine Fuel” plus California sulfur standards.
<b><i>Trading Style:</i></b>	Open Outcry and e-cbot
<b><i>Trading Hours:</i></b>	Open Outcry: Monday-Friday 9:30 a.m.-1:15 p.m. e-cbot: Sunday-Friday 7:36 p.m. – 6:00 a.m. Expiring contract closes 12:00 noon on Last Trading Day
<b><i>Contract Months:</i></b>	Twelve consecutive calendar months beginning with the current calendar month
<b><i>Contract Unit:</i></b>	29,000 U.S. gallons (approximately one railcar)
<b><i>Minimum Fluctuation:</i></b>	One tenth of one cent (\$0.001) per gallon (\$29 per contract)
<b><i>Maximum Fluctuation:</i></b>	Fifteen cents (\$0.15) per gallon (\$4,350 per contract)
<b><i>Speculative Position Limit:</i></b>	1000 contracts net in any month, 200 contracts net in spot month
<b><i>Last Trading Day:</i></b>	The business day prior to the 15 <sup>th</sup> calendar day of the delivery month
<b><i>First Position Day:</i></b>	Two business days prior to the first calendar day of the delivery month
<b><i>First Notice Day:</i></b>	One business day prior to the first calendar day of the delivery month
<b><i>First Delivery Day:</i></b>	First business day of the delivery month
<b><i>Last Delivery Day:</i></b>	Second business day following the last trading day of the delivery month
<b><i>Delivery:</i></b>	Physical delivery by tank car, on track, at shipping origin with seller responsible for transporting product to buyer’s destination. Freight charges are privately negotiated between buyer and seller. Should private negotiations fail, the seller shall deliver in-tank at the buyer’s Chicago, IL Terminal.

## **Chapter XX Denatured Fuel Ethanol Futures Trading Conditions**

**XX01.00 Authority** - Trading in Denatured Fuel Ethanol futures may be conducted under such terms and conditions as may be prescribed by Regulation.

**XX02.01 Application of Regulation** - Transactions in Denatured Fuel Ethanol futures shall be subject to the general Rules of the Exchange as far as applicable and shall also be subject to the Regulations contained in this chapter, which are exclusively applicable to trading in Denatured Fuel Ethanol.

**XX04.01 Unit of Trading** - The unit of trading shall be 29,000 gallons of Denatured Fuel Ethanol. Bids and offers may be accepted in dollars and cents and tenths of a cent or multiples thereof per gallon.

**XX05.01 Months Traded In** - Twelve consecutive calendar months beginning with the current calendar month.

**XX06.01 Price Basis** - Minimum price fluctuations shall be in multiples of one tenth of one cent (\$0.001) per gallon. Contracts shall not be made on any other price basis.

**XX07.01 Hours of Trading** - The open auction hours of trading for future delivery in Denatured Fuel Ethanol shall be Monday through Friday from 9:30 a.m. to 1:15 p.m. The e-cbot hours of trading for future delivery in Denatured Fuel Ethanol shall be Sunday through Friday from 7:36 p.m. to 6:00 a.m. The hours for the last day of trading in an expiring future shall be from 9:30 a.m. to 12 o'clock noon in open auction.

**XX08.01 Trading Limits** - (See 1008.01) The maximum permissible price fluctuation in any one day shall be \$0.15 per gallon above or below the preceding day's settlement price.

**XX09.01 Last Day of Trading** - No trades in Denatured Fuel Ethanol futures deliverable in the current month shall be made after the business day preceding the 15<sup>th</sup> calendar day of that month. Any contracts remaining open after the last day of trading must be either:

- (a) Settled by delivery no later than the second business day following the last trading day (tender on business day prior to delivery).
- (b) Liquidated by means of a bona fide exchange of futures for the actual cash commodity, no later than the business day following the last trading day.

**XX10.01 Margin Requirements** - (See Regulation 431.03)

**XX11.01 Disputes** - All disputes between interested parties may be settled by arbitration as provided in the Rules and Regulations.

**XX12.01 Position Limits and Reportable Positions** - (See 425.01)

## Chapter XX Delivery Procedures

**XX36.01 Standards** - The contract grade for delivery on futures contracts made under these Regulations shall be Renewable Denatured Fuel Ethanol specified in the latest version of The American Society for Testing and Materials (A.S.T.M.) standard D4806 for “Denatured Fuel Ethanol for Blending with Gasolines for Use as Automotive Spark-Ignition Engine Fuel” and be in conformance with all applicable Federal, State, and Local laws and regulations. In addition, delivery grade ethanol shall meet the California specification for lower sulfur content and California limits on other compounds. Standard specifications are:

Property	Specification	A.S.T.M. Test Method
Ethanol volume %, min	92.1	D 5501
Methanol, volume %, max	0.5	
Solvent-washed gum, mg/100 ml max	5.0	D381
Water content, volume %, max	1.0	E203
Denaturant content, volume %, min	1.96	
Denaturant content, volume %, max	4.76	
Inorganic Chloride content, mass ppm (mg/L) max	40	D512
Copper content, mg/kg, max	0.1	D1688
Acidity (as acetic acid CH <sub>2</sub> COOH), mass percent (mg/L), max	0.007	D1613
Phe	6.5 – 9.0	D6423
Appearance	Visibly free of suspended or precipitated contaminants (clear & bright)	
Sulfur, ppm max	10	D5453
Benzene, vol % max	0.06	D5580
Olefins, vol % max	0.5	D6550
Aromatics, vol % max	1.7	D5580

The seller shall provide Denatured Fuel Ethanol which is free from all liens, encumbrances, unpaid taxes, fees and other charges. Ethanol not meeting A.S.T.M. standard D4806 or any further amended version of such standard or California limits on Sulfur, Benzene, Olefins, and Aromatics shall not be deliverable.

**XX38.01 Sampling** – The seller shall provide to the buyer a Certificate of Analysis based on a sample taken from the tank from which ethanol is loaded-out in fulfillment of CBOT Denatured Fuel Ethanol shipping certificates. The tank sample must be drawn in accordance with official methods for sampling denatured fuel ethanol. The Certificate of Analysis shall specify 1) Ethanol, volume %, 2) Water content, volume %, 3) Denaturant content, volume %, 4) Acidity, mass percent (mg/L), 5) pHe, 6) Appearance, and 7) Sulfur, ppm.

The buyer may choose to perform additional quality testing on any or all of the specifications listed in XX36.01 at destination. For the buyer performing destination quality testing, a representative sample shall be obtained at destination by a licensed petroleum inspector mutually agreed upon by the buyer and seller. Such destination sample must be obtained within 24 hours of arrival and prior to unloading. “Constructive placement” shall be considered arrival at destination. The destination sample shall be evaluated by the licensed petroleum inspector. The

result of his analysis of the destination sample shall be binding on both parties for final settlement. The expense of such sampling and analysis shall be borne by the buyer.

**XX39.01 Volume** – Volume measurements shall be made at the shipping origin at 60° F using flow meters.

**XX41.01 Shipping Plants** – Denatured Fuel Ethanol Shipping Certificates shall specify shipment from one of the plants or storage facilities currently regular for delivery. The Exchange may declare additional shipping plants or storage facilities regular for delivery which shall apply on all contracts outstanding or made thereafter.

**XX42.01 Deliveries by Shipping Certificates** – Delivery of denatured fuel ethanol shall be made by delivery of Denatured Fuel Ethanol Shipping Certificates issued by Shippers designated by the Exchange as regular to issue Denatured Fuel Ethanol Shipping Certificates using the electronic fields which the Exchange's Clearing Services Provider requires to be completed. In order to effect a valid delivery each Denatured Fuel Ethanol Shipping Certificate must be endorsed by the holder making the delivery, and transfer as specified above constitutes endorsement. Such endorsement shall constitute a warranty of the genuineness of the Certificate and of good title thereto, but shall not constitute a guaranty, by any endorser, of performance by the issuer of the Certificate. Such endorsement also shall constitute a representation that all premium charges have been paid on the Ethanol covered by the Certificate, in accordance with Regulation XX56.01.

**XX43.01 Registration of Denatured Fuel Ethanol Shipping Certificates** – Denatured Fuel Ethanol Shipping Certificates in order to be eligible for delivery must be registered with the Exchange's Registrar and in accordance with the requirements issued by the Registrar. Registration of Denatured Fuel Ethanol Shipping Certificates shall also be subject to the following requirements:

- (a) Shippers who are regular for delivery may register certificates at any time. If the shipper determines not to tender the shipping certificate by 4:00 p.m. on the day it is registered, or by such other time designated by the Exchange, the shipper shall declare the certificate is withdrawn but is to remain registered by transmitting to the Registrar the certificate number and the name and location of the shipping plant or storage facility. The holder of a registered certificate may cancel its registration at any time. A certificate which has been cancelled may not be registered again.
- (b) No notice of intention to deliver a certificate shall be tendered to the Clearing Services Provider unless said certificate is registered and in the possession of the clearing member tendering the notice or unless a shipping certificate is registered and outstanding. When a notice of intention to deliver a certificate has been tendered to the Clearing Services Provider, said certificate shall be considered to be "outstanding" until its registration is cancelled.
- (c) The Registrar shall maintain a current record of the number of certificates that are registered and shall be responsible for posting this record on the Exchange Floor and the CBOT website. The record shall not include any shipping certificates that have been declared withdrawn.
- (d) When a registered shipper regains control of a registered certificate calling for shipment from one of its facilities, which in any manner relieves it of the obligation to ship ethanol upon demand of a party other than itself, the shipper shall, by 4:00 p.m. of that business day, or by

such other time designated by the Exchange, either cancel the registration of said certificate or declare that said certificate is withdrawn but is to remain registered by transmitting to the Registrar the certificate number and the name and location of the shipping facility, except in the case where a notice of intention to redeliver said certificate for the shipper has been tendered to the Clearing Services Provider by 4:00 p.m., or by such other time designated by the Exchange, on the day that the shipper regained control of said certificate.

- (e) The Registrar shall not divulge any information concerning the registration, delivery or cancellation of certificates other than the record posted on the Exchange Floor and the CBOT website, except that the Registrar shall issue a daily report showing the total number of registered certificates as of 4:00 p.m., or such other time designated by the Exchange, on each trading day of the week. In addition to the information posted on the Exchange Floor and the CBOT website, this daily report will show the names of shippers whose certificates are registered and the location of the shipping plants or storage facilities involved. This report shall not include any shipping certificates which have been declared withdrawn.

**XX44.01 Certificate Format** – The Exchange and the Clearing Services Provider shall determine the electronic fields which are required to be completed in connection with an electronic shipping certificate.

The electronic shipping certificate obligates the shipper, for value received and receipt of the certificate properly endorsed, and subject to a lien for payment of premium charges, to deliver the specified quantity of Denatured Fuel Ethanol conforming to the standards of the Exchange, and to ship such Denatured Fuel Ethanol in accordance with orders of the lawful owner of the certificate and in accordance with the Rules and Regulations of the Exchange. Delivery shall be by rail according to the registered loading capability of the shipper.

Delivery of the electronic shipping certificate to the issuer by the owner of the certificate, for the purpose of shipment of Denatured Fuel Ethanol, is conditioned upon loading of Denatured Fuel Ethanol in accordance with the Rules and Regulations of the Exchange, and a lien is claimed until all loadings are complete and proper shipping documents presented accompanying demand draft for freight and premium charges due which the owner of the certificate agrees to honor upon presentation.

**XX46.01 Date of Delivery** - Delivery of Denatured Fuel Ethanol Shipping Certificates may be made by the Seller upon any permissible delivery day of the delivery month but no later than the second business day following the last day of trading in a delivery month.

**XX47.01 Delivery Notices** - (See Regulation 1047.01).

**XX48.01 Method of Delivery** – (See Regulation 1048.01)

**XX49.00 Time of Delivery, Payment, Form of Delivery Notice** – (See Rule 1049.00)

**XX49.01 Time of Issuance of Delivery Notice** – (See Regulation 1049.01)

**XX49.02 Buyers' Report of Eligibility to Receive Delivery** – (See Regulation 1049.02)

**XX49.04 Sellers' Invoice to Buyers** – (See Regulation 1049.03)

**XX49.04 Payment** – (See Regulation 1249.04)

- XX50.00**      **Duties of Members** – (See Rule 1050.00)
- XX50.01**      **Failure to Deliver** – (See Regulation 1050.01)
- XX51.01**      **Office Deliveries Prohibited** – (See Regulation 1051.01)
- XX54.00**      **Failure to Accept Delivery** – (See Rule 1054.00)
- XX54.01**      **Failure to Accept Delivery** – (See Regulation 1054.01)

**XX56.01**      **Premium Charges** - No Denatured Fuel Ethanol Shipping Certificates shall be valid for delivery on future contracts unless the premium charges shall have been paid up to and including the 18th day of the preceding month and such payment endorsed on the Denatured Fuel Ethanol Shipping Certificate unless registration is at a later date. Unpaid accumulated premium charges shall be allowed and credited to the Buyer by the Seller to and including the date of delivery.

If premium charges are not paid on-time up to and including the 18th calendar day preceding the delivery months of March and September and by the first calendar day of each of these delivery months, a late charge will apply. The late charge will be an amount equal to the total unpaid accumulated premium charges multiplied by the “prime interest rate” in effect on the day that the accrued storage rates are paid, all multiplied by the number of calendar days that the premium is overdue, divided by 360 days. The term “prime interest rate” shall mean the lowest of the rates announced by each of the following four banks at Chicago, Illinois, as its “prime rate”: Bank of America-Illinois, Bank One, Harris Trust & Savings Bank, and the Northern Trust Company.

The premium charges on Denatured Fuel Ethanol for delivery shall not exceed \$0.0007 per gallon per day.

**XX56.03**      **Payment of Fees** – All outloading fees to load Denatured Fuel Ethanol into railroad car, are to be paid by issuer of Denatured Fuel Ethanol Shipping Certificates.

**XX81.02**      **Leasing and Service Arrangements** – The shipper is not required to own the shipping plant or storage facility and may lease the facility from the owner. The shipper may also enter into a service arrangement pursuant to which an agent or contractor performs the daily operations of the facility. The shipper shall be responsible for the conduct of its agents or contractors.

In the event that a shipper is unable properly to store or load out ethanol for receipt holders because of another party’s ownership of or control over the shipping plant or storage facility, the shipper shall, at its own expense, provide each holder of an outstanding receipt with either (a) a replacement shipping certificate at another, mutually acceptable regular facility, or, if such replacement receipt is unavailable, (b) an equivalent quantity and quality of the ethanol designated in the shipping certificate at a mutually acceptable location.

## **ChXX Regularity of Issuers of Shipping Certificates**

### **XX90.01 Loading and Shipment of Ethanol Against Denatured Fuel Ethanol Shipping Certificates -**

- (a) The operator of a storage facility or shipping plant (hereafter both referred to as shippers) issuing Denatured Fuel Ethanol Shipping Certificates shall limit the number of Shipping Certificates issued to an amount not in excess of 15 times its registered total daily rate of loading plus the amount of denatured ethanol in store. All such ethanol in store must be stored in facilities for which the capacity has been registered with the Board of Trade and which have been inspected by the Registrar. A shipping plant shall register its total daily rate of loading railcars at not less than 40% nor more than 100% of its maximum 24-hour ethanol production capacity. Each shipper must be regular for a minimum total daily rate of loading of 58,000 gallons per day.
- (b) Each regular shipper shall be required to load-out ethanol against cancelled Shipping Certificates at a daily rate equivalent to the greater of either its registered total daily rate of loading, or 1/21st of the total amount of ethanol represented by Shipping Certificates issued by the facility but not yet loaded.
- (c) The shipper shall assess a premium charge not in excess of \$0.0007 per gallon per day for each day a Denatured Fuel Ethanol Shipping Certificate is outstanding starting the day after the date of registration by the Registrar. When rail loading orders specify shipment within fifteen calendar days, the premium charge shall continue through the business day following the receipt of loading orders. Otherwise, the premium charge shall continue through the day of rail loading. "Business days" are those on which the Exchange is open for trading Ethanol.
- (d) The shipper shall maintain, in the immediate vicinity of the Exchange, either an office, or a duly authorized representative or agent approved by the Exchange, where owners of Shipping Certificates may file loading orders and shipping instructions.
- (e) Rail Loading Procedures
  - (1) The buyer requesting rail load-out will furnish written rail loading orders and shipping instructions to the shipper by the close of business on the first business day following the date of cancellation of the Shipping Certificates. The shipper is responsible for providing railcars, loading ethanol in the railcars, and transporting the ethanol to the buyer's destination. The shipper shall privately negotiate with the buyer for freight charges. Privately negotiated freight charges must be agreed upon by both buyer and shipper within two business days following the receipt of shipping instructions by the shipper.
  - (2) Should private negotiations fail between buyer and shipper regarding freight charges, the shipper shall consider the destination of the ethanol to be in-tank at the buyer's Chicago, IL District terminal. The Chicago, IL District shall be defined as on or inside the arc created by the Elgin, Joliet and Eastern Railway Company line from Pine Junction, IN, to Griffith, IN, to Park Forest, IL, to Joliet, IL, to Normantown, IL, to West Chicago, IL, to Leithton, IL, to Waukegan, IL to the line terminus. The shipper shall supply ethanol to the buyer's Chicago, IL District terminal via rail, barge, truck, or book transfer provided the buyer's terminal supports these conveyances. The buyer's terminal must accept rail load-in of ethanol. The shipper is responsible for having ethanol transferred in-tank or constructively placed at the buyer's Chicago, IL District terminal within fifteen calendar days following failed private negotiations. The shipper is responsible for all transportation charges up to 48 hours after constructive placement of conveyance.

The buyer is responsible for any demurrage charges 48 hours after constructive placement.

- (3) Loadings will be in bulk, and shipments will be subject to the existing freight tariff Rules and Regulations of the railroads on file with the Interstate Commerce Commission at the time of loading. The shipper is responsible for loading suitable owned or leased railcars.
- (4) All loading orders and shipping instructions received prior to 2:00 p.m. on a given business day shall be considered dated that day and shall be entitled to equal treatment. Orders received after 2:00 p.m. on a business day shall be considered dated the following business day. Loading against all rail loading orders dated on a given business day shall be completed before loading begins on any rail loading orders dated on a subsequent business day subject to the provisions of subparagraph 6 of this paragraph.
- (5) When rail loading orders and shipping instructions are received by 2:00 p.m. of any given business day, the shipper will advise the owner by 10:00 a.m. the following business day of loading dates and tonnage due. Notification will be by telephone, telex, telefax or email.
- (6) When a shipper has received one or more rail loading orders and shipping instructions, he shall begin loading against them within 7 calendar days following their receipt, unless the owner requests a deferred loading date in his loading orders. When loadings against rail loading orders cannot be completed on the seventh following calendar day of their receipt, the shipper shall continue loading against such loading orders on each calendar day thereafter. The shipper shall load at the rate specified in paragraph (b) of this Regulation.
- (7) When loading against rail loading orders and shipping instructions received by a shipper prior to 2:00 p.m. on a given business day cannot be completed by the seventh following calendar day, the shipper shall allocate daily loadings against such loading orders as equitably as possible on a pro-rata basis. Starting of loading against small orders may be delayed until the first day when pro-rata entitles such an order to an allocation of a full car, but in such a case loading of the last car against the order shall be accelerated by the same number of days as loading of the first car was delayed.
- (8) The shipper shall load cars at the shipping plant or storage facility designated in the Shipping Certificate. If it becomes impossible to load at the designated shipping plant or storage facility because of an Act of God, fire, flood, wind, explosion, war, embargo, civil commotion, sabotage, law, act of government, labor difficulties or unavoidable mechanical breakdown, the shipper will arrange for railcars to be loaded at another regular shipping plant or storage facility in conformance with the Shipping Certificate and will compensate the owner for any transportation loss resulting from the change in the location of the shipping plant or storage facility. If the aforementioned condition of impossibility prevails at a majority of regular shippers, then shipment may be delayed for the number of days that such impossibility prevails at a majority of regular shipping plants or storage facilities.
- (9) Rail loading orders involving one or more Shipping Certificates shall be considered as one lot. The minimum amount shipped against each loading order shall be the number of Shipping Certificates specified therein times 29,000 gallons. A tolerance



of 1,000 gallons over or under the total may be shipped to be settled at the market price at the time of shipment of the last car of the order.

(10) Rail cars must be loaded to "full visible capacity".

**XX91.01 Conditions of Regularity** - Shipping plants and storage facilities may be declared regular for the delivery of Denatured Fuel Ethanol with the approval of the Exchange. Shippers who desire to have such facilities made regular for delivery of Ethanol under the Rules and Regulations shall make application for an initial Declaration of Regularity on a form prescribed by the Exchange prior to April 1 of an odd year, for a two year term beginning the following July 1, and at any time during a current term for the balance of that term. Shippers 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 for the current term and increases in regularity shall be effective either thirty days after a notice that a bona fide application has been received is posted by the Exchange, or the day after the application is approved by the Exchange, whichever is later. Shippers who desire to have their daily rate of loading decreased shall file with the Exchange a written request for such decrease. The decrease in the daily rate of loading for the facility will become effective 30 days after a notice has been posted by the Exchange or the day after the number of outstanding certificates at the facility is equal to or less than 15 times the registered rate of loading plus the amount of ethanol in store, whichever is later. Shippers who wish to have their regular capacity space decreased shall file with the Exchange a written request for such decrease and such decrease shall be effective once a notice has been posted by the Exchange. Applications for a renewal of regularity shall be made prior to April 1 of odd years, for the respective two-year terms beginning July 1 of those years, and shall be on the same form.

The Exchange may establish such requirements and conditions for approval of regularity, as it deems necessary. The following shall constitute the minimum requirements and conditions of regularity for Ethanol shipping plants and storage facilities:

1. The plant or storage facility of the shipper making application shall be inspected by the Exchange.
2. Such shipping plant or storage facility shall be connected by railroad tracks with one or more railway lines.
3. The shipper shall be in good financial standing and credit, and shall meet the minimum financial requirements and financial reporting requirements set forth in Appendix 4E. No shipping station or storage facility shall be declared regular until the person operating the same files a bond and/or designed letter of credit with sufficient sureties, or deposits with the Exchange, treasury securities, or other collateral deemed acceptable to the Exchange, in such sum and subject to such conditions as the Exchange may require. Any such sums shall be reduced by SEC haircuts, as specified in SEC Rule 15c3-1(c)(2)(vi),(vii), and (viii). If the shipper deposits treasury securities or any other collateral with the Exchange, it must execute a security agreement on a form prescribed by the Exchange.
4. Such shippers shall be provided with standard equipment and appliances for the convenient and expeditious shipping of Ethanol in bulk in railcars according to Regulation XX90.01 (a) and (b).
5. The shipper shall comply with the system of registration of Denatured Fuel Ethanol Shipping Certificates for Ethanol to be shipped in satisfaction of deliveries on futures contracts.
6. No shipper shall engage in any unethical or inequitable practice or fail to comply with any law,

Federal or State, or any rule or regulation promulgated thereunder.

7. The shipper shall make such reports, keep such records, and permit such shipping plant visitations as the Secretary of Agriculture or the Secretary of Energy may prescribe, and shall comply with all applicable Rules and Regulations and orders promulgated by the Secretary of Agriculture, Secretary of Energy, and the Commodity Futures Trading Commission, and shall comply with all requirements made by the Exchange because of such Rules and Regulations or orders.
8. The shipper shall accord every facility to the Exchange for the examination of the facility and the stocks of ethanol which may be on hand at any time. Such examination may be made at any time.
9. Ethanol inventory which is covered by shipping certificates tendered for delivery shall be insured against the contingencies provided for in a standard "All Risks" policy (including earthquake) to such an extent and in such amounts as required by the Exchange. The shipper shall furnish the Exchange with either a copy of the current insurance policy or policies, or a written confirmation from the insurance company that such insurance has been effected.
10. The shipper shall be subject to the Exchange's Rules and Regulations, the disciplinary procedures set forth in Chapter 5, and the arbitration procedures set forth in Chapter 6, and shall abide by and comply with the terms of any disciplinary decision imposed upon the shipper or any arbitration award issued against it pursuant to the Exchange's Rules and Regulations.
11. The shipper shall consent to the disciplinary jurisdiction of the Exchange for five years after such regularity lapses, for conduct which occurred while the shipper was regular.
12. The Exchange may determine not to approve shippers for regularity or increases in regular capacity of existing regular shipping plants or storage facilities, in its sole discretion, regardless of whether such shipping plants or storage facilities meet the preceding requirements and conditions. Some factors that the Exchange may, but is not required to, consider in exercising its discretion may include, among others, whether shipping certificates issued by such shippers, if tendered in satisfaction of futures contracts, might be expected to adversely affect the price discovery function of Denatured Fuel Ethanol futures contracts or impair the efficacy of futures trading in Ethanol, or whether the currently approved regular capacity provides for an adequate deliverable supply.

**XX94.01 Revocation, Expiration or Withdrawal of Regularity** - Any regular shipper may be declared irregular at any time if it fails to carry out the duties of delivery by Denatured Fuel Ethanol Shipping Certificate as prescribed by these Regulations or violates any conditions of regularity. If designation of a shipper as regular shall be revoked, notice of such revocation shall be posted by the Exchange, and also the period of time, if any, during which the Denatured Fuel Ethanol Shipping Certificates issued by such shipper shall thereafter be deliverable in satisfaction of futures contracts in Ethanol under the Rules and Regulations.

In the event of revocation, expiration or withdrawal of regularity, or in the event of sale or abandonment of the properties where regularity is not reissued, holders of outstanding shipping certificates shall be given thirty days to take load-out of the commodity from the facility. If a holder of an outstanding shipping certificate chooses not to take load-out during this period, the facility must provide him with another shipping certificate at another, mutually acceptable regular shipping plant or storage facility. Alternatively, if such shipping certificate is unavailable, the facility must provide the holder with an equivalent quantity and quality of the ethanol designated in the shipping certificate at a mutually acceptable location.