

# CFTC FORM 204

## Statement of Cash Positions of Hedgers



**NOTICE:** Failure to file a report required by the Commodity Exchange Act (“CEA” or the “Act”)<sup>1</sup> and the regulations thereunder,<sup>2</sup> or the filing of a report with the Commodity Futures Trading Commission (“CFTC” or “Commission”) that includes a false, misleading or fraudulent statement or omits material facts that are required to be reported therein or are necessary to make the report not misleading, may (a) constitute a violation of § 6(c)(2) of the Act (7 U.S.C. 9), § 9(a)(3) of the Act (7 U.S.C. 13(a)(3)), and/or § 1001 of Title 18, Crimes and Criminal Procedure (18 U.S.C. 1001) and (b) result in punishment by fine or imprisonment, or both.

### PRIVACY ACT NOTICE

The Commission’s authority for soliciting this information is granted in sections 4a, 4c(b), 4i, 4t and 8a(5) of the CEA and related regulations (see, e.g., 17 CFR § 19.00). The information solicited from entities and individuals engaged in activities covered by the CEA is required to be provided to the CFTC, and failure to comply may result in the imposition of criminal or administrative sanctions (see, e.g., 7 U.S.C. §§ 9 and 13a-1, and/or 18 U.S.C. 1001). The information requested is most commonly used in the Commission’s market and trade practice surveillance activities to (a) provide information concerning the size and composition of the commodity derivatives markets, (b) permit the Commission to monitor and enforce speculative position limits and (c) enhance the Commission’s trade surveillance data. The requested information may be used by the Commission in the conduct of investigations and litigation and, in limited circumstances, may be made public in accordance with provisions of the CEA and other applicable laws. It may also be disclosed to other government agencies and to contract markets to meet responsibilities assigned to them by law. The information will be maintained in, and any additional disclosures will be made in accordance with, the CFTC System of Records Notices, available on [www.cftc.gov](http://www.cftc.gov).

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<sup>1</sup> 7 U.S.C. section 1, et seq.

<sup>2</sup> Unless otherwise noted, the rules and regulations referenced in this notice are found in chapter 1 of title 17 of the Code of Federal Regulations; 17 CFR Chapter 1 et seq.

## **BACKGROUND & INSTRUCTIONS**

17 CFR § 19.00(a) requires each person subject to the provisions of this paragraph to report its cash positions to the Commission by filing series '04 reports. 17 CFR § 19.00(b) specifies the manner of reporting on Form '04 series. 17 CFR § 19.01(a)(3) and (4)(ii) specifies the information required on Form 204. 17 CFR § 19.01(b)(1) specifies the frequency (**monthly**), the as of report date (close of business on the last Friday of the month), and the time (9 a.m. Eastern Time on the third business day following the date of the report) for filing the reports. As appropriate, please follow the instructions below to generate and submit the required report or filing. Unless the context requires otherwise, the terms used herein shall have the same meaning as ascribed in parts 15 to 21 of the Commission's regulations.

### **Complete Form 204 as follows:**

General & Identifying Information:	All filers.
Section A:	Complete for stock and fixed-price cash positions
Date	As of date for reported position
BFH Claimed	Applicable § 150.1 Definitions BFH position, paragraph (e.g. – (2) Hedge of a physical commodity and (3)(D) Hedges by Agents, and (5), if cross-hedged)
CDC or RC	CDC or RC, as defined in § 150.1 - used for hedging
CRFC	Corresponding Core Referenced Futures Contract
Futures Equivalent in CRFC	Futures Equivalent in CRFC selected from § 150.2(d)
Cash commodity hedged	Cash commodity hedged by the CDC positions
Units	Units of measure for cash commodity being hedged
Stock	Stocks per § 19.01(a)(3)(ii)
Purchase commitments	Fixed-price purchases pursuant to § 19.01(a)(3)(iii)
Sale commitments	Fixed-price sales pursuant to § 19.01(a)(3)(iv)
Remaining Anticipated Activity	Remaining Unsold, Unfilled and Other Anticipated Activity for the Specified Period in Form 704, Section A, pursuant to § 150.7(g) and § 19.01(a)(4)(ii)
Section B:	Complete for Unfixed-price cash purchases and sales
Date	As of date for reported position
BFH Claimed	Applicable § 150.1 Definitions BFH position, paragraph (e.g. – (2) Hedge of a physical commodity and (3)(D) Hedges by Agents, and (5), if cross-hedged)
CDC or RC, and corr. CRFC	CDC or RC, as defined in § 150.1 - used for hedging
Futures Equivalent in CRFC	Futures Equivalent in CRFC selected from § 150.2(d)
Cash commodity hedged	Cash commodity hedged by the CDC positions
Units	Units of measure for cash commodity being hedged
Unfixed-price purchases	Unfixed-price purchases per § 19.01(a)(3)(v)
Unfixed-price sales	Unfixed-price sales per § 19.01(a)(3)(v)
Section C:	Complete for cotton, in addition to the above
Stocks	Report positions separately for equity stocks, certificated stocks and non-certificated stocks per § 19.01(a)(3)(vi).
Signature/Authentication:	All filers.

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**Submitting Form 204:** Once completed, please submit this form to the Commission pursuant to the instructions on [www.cftc.gov] or as otherwise directed by Commission staff. If submission attempts fail, the reporting trader shall contact the Commission at [techsupport@cftc.gov] for further technical support.

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Please be advised that pursuant to 5 CFR § 1320.5(b)(2)(i), you are not required to respond to this collection of information unless it displays a currently valid OMB control number.

**COMMODITY FUTURES TRADING COMMISSION  
FORM 204 - STATEMENT OF CASH POSITIONS OF HEDGERS**

CFTC CODE NO. [INSERT]		OMB No. XXXX-XXXX	
<b>Identifying Information</b>			
Identification Codes			
NFA ID	Legal Entity Identifier (LEI)	Other CFTC Identifier	
Name of Non-Natural Person			
Name of Natural Person			
First Name	Middle Name	Last Name	Suffix
Contact Information			
Address	Phone Number	Email Address	

NOTICE: Failure to file a report required by the Commodity Exchange Act ("CEA" or the "Act") and the regulations thereunder, or the filing of a report with the Commodity Futures Trading Commission ("CFTC" or "Commission") that includes a false, misleading or fraudulent statement or omits material facts that are required to be reported therein or are necessary to make the report not misleading, may (a) constitute a violation of § 6(c)(2) of the Act (7 U.S.C. 9), § 9(a)(3) of the Act (7 U.S.C. 13(a)(3)), and/or § 1001 of Title 18, Crimes and Criminal Procedure (18 U.S.C. 1001) and (b) result in punishment by fine or imprisonment, or both. Please be advised that pursuant to 5 CFR § 1320.5(b)(2)(i), you are not required to respond to this collection of information unless it displays a currently valid OMB control number.

**A. Cash positions pursuant to the following paragraphs of § 19.01(a)(3)(i), (ii), (iii), (iv), and (4)(ii).**

Date	Bona Fide Hedge Indication (BFHI) - Cite specific BFH definition in § 150.1 or other applicable §	Commodity Derivative Contract (CDC) or Referenced Contract (RC) used for Hedging	Core Referenced Futures Contract (CRFC)	Futures Equivalent in Core Reference Futures Contract (CRFC)	Cash Commodity Hedged	Units for Cash Commodity (Specify Tons, CWT, Lbs., Bu., Bbls., etc.)	Stocks Owned	Fixed-Price Purchases	Fixed-Price Sales	Remaining Unsold, Unfilled and Other Anticipated Activity for the Specified Period in Form 704, Section A

**B. Offsetting Unfixed-Price Purchases and Sales pursuant to § 19.01(a)(3)(v).**

Date	Bona Fide Hedge Indication (BFHI) – Cite specific BFH definition in § 150.1 or other applicable §	Commodity Derivative Contract (CDC) or Referenced Contract (RC) used for Hedging	Core Referenced Futures Contract (CRFC)	Futures Equivalent in Core Reference Futures Contract (CRFC)	Cash Commodity Hedged	Units for Cash Commodity (Specify Tons, CWT, Lbs., Bu., Bbls., etc.)	Unfixed-Price Purchases	Unfixed-Price Sales

**C. Cotton Stocks owned in Section A above pursuant to § 19.01(a)(3)(vi). Report in hundreds of bales (500-lb. bales).**

Equity Stock ('00 bales)	Certificated Stocks ('00 bales)	Non-certificated Stocks ('00 bales)

Please sign/authenticate the Form 204 prior to submitting.

Signature/ Electronic Authentication:

By checking this box and submitting this form (or by clicking "submit," "send," or any other analogous transmission command if transmitting electronically), I certify that I am duly authorized by the reporting trader identified below to provide the information and representations submitted on this Form 204, and that the information and representations are true and correct.

Reporting Trader Authorized Representative (Name and Position):

\_\_\_\_\_ (Name)

\_\_\_\_\_ (Position)

Submitted on behalf of:

\_\_\_\_\_ (Reporting Trader Name)

Date of Submission:

\_\_\_\_\_

Form 204, Example A- A commercial entity has inventory of 10,000,000 barrels of crude oil, no fixed-price sales contracts, and 20,000,000 barrels of crude oil in fixed-price purchase contracts. The commercial entity claims a bona fide hedging exemption for a short position of 30,000 contracts in the NYMEX light sweet crude oil futures contract, equivalent to 30,000,000 barrels of crude oil. The commercial entity has other short speculative positions in the futures contract that, absent the bona fide hedging exemption, would cause it to exceed the speculative position limit.

A. Cash positions pursuant to the following paragraphs of § 19.01 (a) (3) (i), (ii), (iii), (iv), and (4)(ii).										
Date	Bona Fide Hedge Indication (BFHI) – Cite specific BFH definition in § 150.1 or other applicable §	Commodity Derivative Contract (CDC) or Referenced Contract (RC) used for Hedging	Core Referenced Futures Contract (CRFC)	Futures Equivalent in Core Reference Futures Contract (CRFC) - = short	Cash Commodity Hedged	Units for Cash Commodity (Specify Tons, CWT, Lbs., Bu., Bbls., etc.)	Stocks Owned	Fixed-Price Purchases	Fixed-Price Sales	Remaining Unsold, Unfilled and Other Anticipated Activity for the Specified Period in Form 704, Section A
5/6/2013	§150.1 BFH (3)(A)	CL-NYMEX	CL-NYMEX	-30,000	Crude oil	Bbls	10,000,000	20,000,000	0	0

Form 204, Example B- A commercial entity has filed unfilled anticipated requirements in an initial statement on form 704, Section A, in the amount of 120,000,000 MMBtu of natural gas. The current remaining unfilled anticipated requirements are 70,000,000 MMBtu. The person owns stocks of 20,000,000 MMBtu and has entered into fixed-price purchases of 30,000,000 MMBtu. The combined long cash position is long 50,000,000 MMBtu. The total position being hedged, i.e., the remaining unfilled anticipatory requirements of 70,000,000 MMBtu and the long cash position of 50,000,000 MMBtu, equals a long position of 120,000,000 MMBtu in the cash commodity. The commercial entity reports a futures equivalent short position of 10,000 contracts in the CRFC as a hedge, equivalent to short 100,000,000 MMBtu, which is less than the combined long cash position and the remaining unfilled anticipated requirements. Hence, the cash position is partially hedged.

A. Cash positions pursuant to the following paragraphs of § 19.01 (a) (3) (i), (ii), (iii), (iv), and (4)(ii).										
Date	Bona Fide Hedge Indication (BFHI) – Cite specific BFH definition in § 150.1 or other applicable §	Commodity Derivative Contract (CDC) or Referenced Contract (RC) used for Hedging	Core Referenced Futures Contract (CRFC)	Futures Equivalent in Core Reference Futures Contract (CRFC) - = short	Cash Commodity Hedged	Units for Cash Commodity (Specify Tons, CWT, Lbs., Bu., Bbls., etc.)	Stocks Owned	Fixed-Price Purchases	Fixed-Price Sales	Remaining Unsold, Unfilled and Other Anticipated Activity for the Specified Period in Form 704, Section A
5/6/2013	§150.1 BFH (3)(B) §150.1 BFH (3)(C)	HH-NYMEX	NG-NYMEX	-10,000	Natural gas	MMBtu	20,000,000	30,000,000	0	70,000,000

Form 204, Example C- A commercial entity has entered into offsetting unfixed-price purchase and sale contracts in the amount of 25,000,000 MMBtu of natural gas. The hedging position is a futures equivalent long position of 10,000 contracts and a futures equivalent short position of 10,000 contracts.

B. Offsetting Unfixed-Price Purchases and Sales pursuant to § 19.01(a)(3) (v).								
Date	Bona Fide Hedge Indication (BFHI) – Cite specific BFH definition in § 150.1 or other applicable §	Commodity Derivative Contract (CDC) or Referenced Contract (RC) used for Hedging	Core Referenced Futures Contract (CRFC)	Futures Equivalent in Core Reference Futures Contract (CRFC)	Cash Commodity Hedged	Units for Cash Commodity (Specify Tons, CWT, Lbs., Bu., Bbls., etc.)	Unfixed-Price Purchases	Unfixed-Price Sales
5/6/2013	§150.1 BFH (3)(B)	HH-NYMEX	NG-NYMEX	10,000	Natural Gas	MMBtu	25,000,000	25,000,000
	continuation	HH-NYMEX	NG-NYMEX	-10,000	Natural Gas	MMBtu		

Form 204, Example D– A merchant reportable in cotton futures has the following inventory: no equity stock, 100 bales of certificated stock, and 500 bales of non-certificated stock.

C. Cotton Stocks owned in Section A above pursuant to § 19.01(a)(3)(vi). Report in hundreds of bales (500-lb. bales).

Equity Stock (‘00 bales)	Certificated Stocks (‘00 bales)	Non-certificated Stocks (‘00 bales)
0	1	5