

Appendix A to Part 19—Forms 204, 304, 504, 604, AND 704<sup>1</sup>

# 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>2</sup> and the regulations thereunder,<sup>3</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> This Appendix includes representations of the proposed reporting forms, which would be submitted in an electronic format published pursuant to the proposed rules, either via the Commission’s web portal or via XML-based, secure FTP transmission.

<sup>2</sup> 7 U.S.C. section 1, *et seq.*

<sup>3</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**

Applicable Regulations:

- 17 CFR § 19.00(a)(1)(iii) and (iv) specify who must file Form 204.
- 17 CFR § 19.00(b) specifies the manner of reporting on series '04 reports, including Form 204.
- 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 Form 204.

As appropriate, please follow the instructions below to generate and submit the required report or filing. Relevant regulations are cited in parentheses () for reference. 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:**

**The trader identification fields should be completed by all filers.** This updated Form 204 requires traders to identify themselves using their Public Trader Identification Number, in lieu of the CFTC Code Number required on previous versions of the Form 204. This number is provided to traders who have previously filed Forms 40 and 102 with the Commission. Traders may contact the Commission to obtain this number if it is unknown. If a trader has a National Futures Association Identification Number ("NFA ID") and/or a Legal Entity Identifier ("LEI"), he should also identify himself using those numbers. Form 204 requires traders to identify the name of the reporting trader or firm and the contact information (including full name, address, phone number, and email address) for a natural person the Commission may contact regarding the submitted Form 204.

**Section A of Form 204 must be completed by all filers who hold stocks and fixed-price cash positions in the cash commodity. Section A contains the following fields:**

Date.....	As-of date for reported position
RC or CDC.....	Referenced Contract (§ 150.1) used for hedging or Commodity Derivative Contract (§ 150.1) as required by, e.g., a special call (§ 19.00(a)(3))
CRFC.....	Corresponding Core Referenced Futures Contract (§ 150.2(d))
Futures Equivalent in CRFC.....	Quantity of cash commodity hedged, converted to futures equivalents of the CRFC. Short positions should be represented with a minus sign, e.g. 2,000 contract equivalents short = "-2,000"
Cash commodity hedged.....	Cash commodity hedged by the CDC positions, e.g. "crude oil"
Units.....	Units of measure for cash commodity being hedged, e.g. "barrels"
Stock.....	Stocks (§ 19.01(a)(3)(ii))
Fixed Price Purchases .....	Fixed-price purchase commitments (§ 19.01(a)(3)(iii))
Fixed Price Sales.....	Fixed-price sale commitments (§ 19.01(a)(3)(iv))
Remaining Anticipated Activity.....	Remaining Unsold, Unfilled and Other Anticipated Activity for the Specified Period in Form 704 (§ 150.7(g) and § 19.01(a)(4))

**Section B of Form 204 must be completed by all filers who hold unfixed-price cash positions in the cash commodity. Section B contains the following fields:**

Date.....	As-of date for reported position
RC or CDC.....	Referenced Contract (§ 150.1) used for hedging or Commodity Derivative Contract (§ 150.1) as required by, e.g., a special call (§ 19.00(a)(3))
CRFC.....	Corresponding Core Referenced Futures Contract (§ 150.2(d))

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Futures Equivalent in CRFC.....Futures Contract Equivalent in terms of CRFC. Short positions should be represented with a minus sign, e.g. 2,000 contract equivalents short = “-2,000”

Cash commodity hedged..... Cash commodity hedged by the CDC positions, e.g. “crude oil”

Units.....Units of measure for cash commodity being hedged, e.g. “barrels”

Unfixed-price purchases..... Unfixed-price purchases (§ 19.01(a)(3)(v))

Unfixed-price sales..... Unfixed-price sales (§ 19.01(a)(3)(v))

**Section C of Form 204 must be completed in addition to Sections A and B of Form 204 by filers who hold cotton stocks. Section C contains the following fields:**

Equity Stocks..... Equity stock in hundreds of 500-lb. bales. Traders must report separately equity stocks held in the trader’s capacity as a merchant, producer, and/or agent. (§ 19.01(a)(3)(vi))

Certificated Stocks..... Certificated stock in hundreds of 500-lb. bales. (§ 19.01(a)(3)(vi))

Non-certificated Stocks..... Non-certificated stock in hundreds of 500-lb. bales. (§ 19.01(a)(3)(vi))

**The signature/authorization page must be completed by all filers.** This page must include the name and position of the natural person filing Form 204 as well as the name of the reporting trader represented by that person. The trader certifying this Form 204 on the signature/authorization page should note that filing a report 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.

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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.

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Public Trader ID No. [provided by CFTC]						OMB No. 3038-0013				
<b>COMMODITY FUTURES TRADING COMMISSION FORM 204: STATEMENT OF CASH POSITIONS OF HEDGERS</b>						<b>Identifying Information</b>				
						Identification Codes:				
						NFA ID		Legal Entity Identifier (LEI)		
						Name of Reporting Trader or Firm:				
						Name of Person to Contact Regarding This Form:				
						First Name		Middle Name	Last Name	Suffix
						Contact Information:				
Address		Phone Number	Email Address							
<p>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.</p>										
<b>A. Cash positions pursuant to the following paragraphs of § 19.01(a)(3)(i), (ii), (iii), (iv), and (4)(ii).</b>										
Date	Referenced Contract (RC) Used for Hedging or Commodity Derivative Contract (CDC)	Core Referenced Futures Contract (CRFC)	Quantity of Cash Commodity Hedged in terms of futures equivalents of the CRFC	Cash Commodity Hedged	Units for Cash Commodity (Specify: e.g. 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	

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B. Offsetting Unfixed-Price Purchases and Sales pursuant to § 19.01(a)(3)(v).							
Date	Referenced Contract (RC) Used for Hedging or Commodity Derivative Contract (CDC)	Core Referenced Futures Contract (CRFC)	Quantity of Cash Commodity Hedged in terms of futures equivalents of the CRFC	Cash Commodity Hedged	Units for Cash Commodity (Specify: e.g. 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) as Merchant	Equity Stock ('00 bales) as Producer	Equity Stock ('00 bales) as Agent	Certificated Stocks ('00 bales)	Non-certificated Stocks ('00 bales)

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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 to the best of my knowledge the information and representations made herein are true and correct.

Reporting Trader Authorized Representative (Name and Position):

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

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

Submitted on behalf of:

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

Date of Submission: \_\_\_\_\_

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Form 204, Example A- A commercial entity has inventory of 10,000,000 barrels of crude oil, 5,000,000 barrels of crude oil fixed-price sales contracts, and 20,000,000 barrels of crude oil fixed-price purchase contracts. The commercial entity could claim a bona fide hedging exemption for a short position of up to 25,000 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	Referenced Contract (RC) Used for Hedging or Commodity Derivative Contract (CDC)	Core Referenced Futures Contract (CRFC)	Quantity of Cash Commodity Hedged in terms of futures equivalents of the CRFC - = short	Cash Commodity Hedged	Units for Cash Commodity (Specify: e.g. 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
5/6/2017	CL-NYMEX	CL-NYMEX	25,000	Crude oil	Bbls	10,000,000	20,000,000	5,000,000	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	Referenced Contract (RC) Used for Hedging or Commodity Derivative Contract (CDC)	Core Referenced Futures Contract (CRFC)	Quantity of Cash Commodity Hedged in terms of futures equivalents of the CRFC - = short	Cash Commodity Hedged	Units for Cash Commodity (Specify: e.g. 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
5/6/2017	HH-NYMEX	NG-NYMEX	50,000	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	Referenced Contract (RC) Used for Hedging or Commodity Derivative Contract (CDC)	Core Referenced Futures Contract (CRFC)	Quantity of Cash Commodity Hedged in terms of futures equivalents of the CRFC	Cash Commodity Hedged	Units for Cash Commodity (Specify: e.g. tons, cwt, lbs., bu., bbls., etc.)	Unfixed-Price Purchases	Unfixed-Price Sales
5/6/2017	HH-NYMEX	NG-NYMEX	25,000	Natural Gas	MMBtu	25,000,000	
	HH-NYMEX	NG-NYMEX	-25,000	Natural Gas	MMBtu		25,000,000

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