

GreenHaven Continuous Commodity Index Master Fund
Form 10-K
February 26, 2013

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-K

x ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2012

or

o TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission File Numbers: 001-33909, 001-33908

GREENHAVEN CONTINUOUS COMMODITY INDEX FUND
(Exact name of registrant as specified in its charter)

GREENHAVEN CONTINUOUS COMMODITY INDEX MASTER FUND
(Exact name of Co-registrant as specified in its charter)

Delaware
(State or Other Jurisdiction of
Incorporation or Organization)

26-0151234
(I.R.S. Employer
Identification No.)

c/o GreenHaven Commodity Services, LLC
3340 Peachtree Rd, Suite 1910
Atlanta, Georgia
(Address of Principal Executive Offices)

30326
(Zip Code)

Registrant's telephone number, including area code: (404) 239-7942

Securities registered pursuant to Section 12(b) of the Act:

| Title of Each Class | Name of Each Exchange on Which Registered |
|-------------------------------------|--|
| Common Units of Beneficial Interest | NYSE Arca |

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted to its web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to post such files). Yes ☒ No ☐

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. ☒

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See definition of "large accelerated filer", "accelerated filer", and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check One).

Large accelerated filer ☒ Accelerated Filer ☐ Non-Accelerated Filer ☐ Smaller Reporting Company ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

The market value of the voting and non-voting common equity held by non-affiliates calculated based on the closing sale share price of \$28.36 as reported on the New York Stock Exchange Arca ("NYSE") on June 30, 2012 was \$510,480,000.

Number of Common Units of Beneficial Interest outstanding as of December 31, 2012: 16,450,000.

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PART I

ITEM 1. BUSINESS

Organization

THE FUND AND MASTER FUND

The GreenHaven Continuous Commodity Index Fund (or the “Fund”), was formed as a Delaware statutory trust on October 27, 2006. The Fund issues common units of beneficial interest, (or “Shares”), which represent units of fractional undivided beneficial interest in and ownership of the Fund. The term of the Fund is perpetual (unless terminated earlier in certain circumstances).

The GreenHaven Continuous Commodity Index Master Fund (or the “Master Fund”, and together with the Fund, the “Funds”), was formed as a Delaware statutory trust on October 27, 2006. The Master Fund issues common units of beneficial interest or (“Master Fund Units”), which represent units of fractional undivided beneficial interest in and ownership of the Master Fund. The term of the Master Fund is perpetual (unless terminated earlier in certain circumstances).

The principal offices of the Fund and the Master Fund are located at c/o GreenHaven Commodity Services LLC, 3340 Peachtree Road, Suite 1910, Atlanta, Georgia 30326, and its telephone number is (404) 239-7938.

The Fund invests substantially all of its assets in the Master Fund in a master-feeder structure. The Fund holds no investment assets other than Master Fund Units. The Master Fund is wholly-owned by the Fund and the Managing Owner. Each Share issued by the Fund correlates with a Master Fund Unit issued by the Master Fund and held by the Fund.

Under the Trust Declaration of the Fund and the Master Fund, CSC Trust Company of Delaware, the Trustee of the Fund and the Master Fund, has delegated to the Managing Owner certain of the powers and authority to manage the business and affairs of the Fund and the Master Fund and has duties and liabilities to the Fund and the Master Fund.

THE INDEX

Index Description

The original Commodity Research Bureau Index (the “CRB Index”) was widely viewed as a broad measure of overall commodity price trends because of the diverse nature of its constituent commodities. In 2005, the CRB Index was revised for a tenth time, and is currently known as the Thomson Reuters/Jeffries CRB Index. The ninth revision formula continued to be calculated and was renamed the Continuous Commodity Index (the “CCI Index”). On January 7, 2013, the CCI Index was revised for a tenth time to include Soybean oil and remove ICE Frozen Concentrated Orange Juice at an equivalent allocation. Additionally, the Index methodology was changed from geometric averaging to arithmetic averaging and a five-day roll period replaced the former one-day period. Thomson Reuters America LLC is the owner, publisher, and custodian of the Continuous Commodity Index -Total Return (the “Index”) which represents a total return version of the CCI Index. Prior to the tenth revision, the Index was calculated to produce an equal-weighted geometric mean of the individual commodity price relatives, i.e., a ratio of the current price to the base year average price. The base year of the Continuous Commodity Index (CCI) is 1967 with a starting value of 100.

The Funds are based on the total return version Continuous Commodity Index, called the Continuous Commodity Index – Total Return (the “CCI-TR”). The base year for the CCI-TR is 1982, with a starting value of 100. The Continuous Commodity Index is materially different from the CRB Index.

The CCI-TR is calculated to offer investors a representation of the investable returns that an investor should expect to receive by attempting to replicate the CCI index by buying the respective commodity futures and collateralizing their investment with United States Government securities, (i.e., 90 day T-Bills). The CCI-TR takes into account the economics of rolling listed commodity futures forward to avoid delivery and maintain exposure in liquid contracts. The Index is notionally composed of commodity futures contracts on physical commodities. Unlike equities, which typically entitle the holder to a continuing stake in a corporation, commodity futures contracts normally specify a certain date for the delivery of the underlying physical commodity. In order to avoid the delivery process and maintain a long futures position, contracts nearing a delivery date must be sold and contracts that have not yet reached delivery must be purchased. This process is known as “rolling” a futures position. An index, such as the CCI-TR, is commonly known as a “rolling index” because it replaces futures contracts as they approach maturity by notionally selling and purchasing offsetting contracts to avoid delivery and maintain exposure in liquid contracts.

The CCI-TR is an equal weight commodity index. By its very structure an evenly-weighted index will provide broader exposure than one that is not evenly-weighted. To the extent that an index is over-weighted in a particular commodity class, such as energy, that index will reflect the energy sector more than it will the broad commodity universe. The table below indicates the constituent commodities, the allowed contracts, their index weighting and the sector weighting within the Index.

| Commodity Allowed Contracts | | Exchanges* | Index Weight | Sector Weight |
|-----------------------------|---------------------------------------|------------|--------------|------------------|
| Crude Oil | All 12 calendar months | CME | 5.88% | Energy 17.65% |
| Heating Oil | All 12 calendar months | CME | 5.88% | |
| Natural Gas | All 12 calendar months | CME | 5.88% | |
| Corn | Mar, May, Jul, Sep, Dec | CME | 5.88% | Grains 23.53% |
| Wheat | Mar, May, Jul, Sep, Dec | CME | 5.88% | |
| Soybeans | Jan, Mar, May, Jul, Aug, Nov | CME | 5.88% | |
| Soybean Oil | Jan, Mar, May, Jul, Aug, Sep, Oct Dec | CME | 5.88% | |
| Live Cattle | Feb, Apr, Jun, Aug, Oct, Dec | CME | 5.88% | Livestock 11.76% |
| Lean Hogs | Feb, Apr, Jun, Jul, Aug, Oct, Dec | CME | 5.88% | |
| Sugar | March, May, July, October | ICE | 5.88% | Softs 23.53% |
| Cotton | March, May, July, December | ICE | 5.88% | |
| Coffee | Mar, May, Jul, Sep, Dec | ICE | 5.88% | |
| Cocoa | Mar, May, Jul, Sep, Dec | ICE | 5.88% | |
| Gold | Feb, Apr, Jun, Aug, Dec | CME | 5.88% | Metals 23.53% |
| Silver | Mar, May, Jul, Sep, Dec | CME | 5.88% | |
| Platinum | Jan, Apr, Jul, Oct | CME | 5.88% | |
| Copper | Mar, May, Jul, Sep, Dec | CME | 5.88% | |

*This column of the chart refers to the exchanges in which the standard futures contracts trade. The column is not intended to be an exhaustive list of all the exchanges in which a standard futures contract is traded, including foreign exchanges. Each of the constituent commodities may trade as standard futures contracts on other exchanges, including foreign exchanges; however, the Master Fund does not engage in the purchase or sale of any standard constituent commodity traded on a foreign exchange. The Fund and the Master Fund do not engage in the purchase of any forward, swap or other non-exchange traded instruments.

Values of the underlying Index are computed by Thomson Reuters America, LLC, and disseminated by the NYSE every fifteen (15) seconds during the trading day. Only settlement and last-sale prices are used in the Index's calculation, bids and offers are not recognized – including limit-bid and limit-offer price quotes. In the event where no last-sale price exists, typically in the more deferred contract months, the previous days' settlement price is used. This

means that the underlying Index may lag its theoretical value.

Index Methodology

Thomson Reuters America LLC is the owner, custodian, and calculating agent for the CCI-TR. The daily return is calculated by multiplying the previous day index value with the daily return of the current or reference basket.

The individual commodity contributions are calculated as follows:

1. Arithmetic averages for each commodity on the relevant business day are calculated.

Where $C_{m,t}$ represents the sum across the included contracts for each of the 17 commodities, so

Where,

| | |
|------|---|
| S | is the price of a given contract month |
| W | is the equal weight of 5.88% (1/17th) for each constituent commodity |
| avgt | is the daily average of settlement prices |
| m | represents each commodity |
| t | is each trading day for which updated settlement prices are available |

2. The current day's value of the average price of the 17 commodities is then used with the prior day's corresponding value to derive the applicable fair value index ("CRBCC"):

$$CRBCC_t = CRBCC_{t-1} * (avgt / avgt_{-1})$$

The CRBCC defines the actively considered set of futures contracts for each commodity as described further in the 6 roll schedules listed on the Thomson Reuters website and in the methodology document located at:

http://thomsonreuters.com/products_services/financial/thomson_reuters_indices/indices/commodity_indices/#tab2

3. Total Return:

$$CCITRT = CCITRT_{-1} * (avgt / avgt_{-1} + tbill_t)$$

Where,

CCITRT is the index level, set at 100 on Jan 1st, 1981

tbill is the US Treasury Bill return for the given day, calculated as:

Note that for example after a weekend, 3 days of returns are due to be added to the index.

Contract Roll

The roll periods take place during the week leading up to the second Friday of the same six months (Jan, Feb, Apr, June, Aug, and Nov) every year. The roll implies a change from the pre-roll basket of contracts to the post-roll basket according to the following pattern:

At the close of Day 1: 20% post-roll basket + 80% pre-roll basket

Intraday of Day 2: 20% post-roll basket + 80% pre-roll basket

At the close of Day 2: 40% post-roll basket + 60% pre-roll basket

Intraday of Day 3: 40% post-roll basket + 60% pre-roll basket

At the close of Day 3: 60% post-roll basket + 40% pre-roll basket

Intraday of Day 4: 60% post-roll basket + 40% pre-roll basket

At the close of Day 4: 80% post-roll basket + 20% pre-roll basket

Intraday of Day 5: 80% post-roll basket + 20% pre-roll basket

At the close of Day 5: 100% post-roll basket

Good Friday can fall on the second Friday in April (e.g. 2017). In this case, the open on the following Monday shows the final 40% of the roll rather than the final 20%. If no trading takes place during the roll for other reasons, reallocation between contracts without a price change is implemented for such days.

The Index is calculated 5:00am - 6:00pm ET (Thomson Reuters) , 8:00am – 8:22pm ET (disseminated on NYSE Arca). The Index settles on a final value at approximately 3:15pm ET.

Interruption of Index Calculation

Calculation of the Index may not be possible or feasible under certain events or circumstances, including, without limitation, a systems failure, natural or man-made disaster, act of God, armed conflict, act of terrorism, riot or labor disruption or any similar intervening circumstance, that is beyond the reasonable control of Thomson Reuters or the Managing Owner. Additionally, calculation of the Index may also be disrupted by an event that would require Thomson Reuters to calculate the closing price in respect of the relevant commodity on an alternative basis.

INVESTMENT OBJECTIVE

The investment objective of the Fund and the Master Fund is to reflect the performance of the Index, over time, less the expenses of the operations of the Fund and the Master Fund.

The Fund pursues its investment objective by investing substantially all of its assets in the Master Fund. The Master Fund pursues its investment objective by investing in a portfolio of exchange-traded futures on the commodities comprising the Index, or the Index Commodities.

The Master Fund holds a portfolio of futures contracts on the Index Commodities as well as cash, United States Treasury securities, and other high credit quality short-term fixed income securities for deposit with the Master Fund's Commodity Broker as margin. The Master Fund's portfolio is traded with a view to reflecting the performance of the Index over time, whether the Index is rising, falling or flat over any particular period. The Master Fund is not "managed" by traditional methods, which typically involve effecting changes in the composition of a given portfolio on the basis of judgments relating to economic, financial and market considerations with a view to obtaining positive results under all market conditions. To maintain the correspondence between the composition and weightings of the Index Commodities comprising the Index, the Managing Owner may adjust or rebalance the Portfolio on a daily basis to conform to changes in the identity and/or relative weighting of the Index Commodities. The Managing Owner aggregates certain of the adjustments and makes changes to the portfolio in the case of significant changes to the Index.

There can be no assurance that either the Fund or the Master Fund will achieve its investment objective or avoid substantial losses. The Master Fund has a trading and performance history of approximately five years. The value of the Shares is expected to fluctuate generally in relation to changes in the value of the Master Fund Units.

Who May Subscribe

Baskets may be created or redeemed only by “Authorized Participants.” Each Authorized Participant must (1) be a registered broker-dealer or other securities market participant such as a bank or other financial institution which is not required to register as a broker-dealer to engage in securities transactions, (2) be a participant in DTC, and (3) have entered into an agreement with the Fund and the Managing Owner (a Participant Agreement). The Participant Agreement sets forth the procedures for the creation and redemption of Baskets of Shares and for the delivery of cash required for such creations or redemptions. A list of the current Authorized Participants can be obtained from the Administrator. A similar agreement between the Fund and the Master Fund sets forth the procedures for the creation and redemption of Master Unit Baskets by the Fund. See “Creation and Redemption of Shares” for more details.

Creation and Redemption of Shares

The Fund creates and redeems Shares from time to time, but only in one or more Baskets. A “Basket” is a block of 50,000 Shares. Baskets may be created or redeemed only by Authorized Participants. Authorized Participants may sell the Shares included in the Baskets they purchase from the Fund to other investors.

The Master Fund creates and redeems Master Fund Units from time-to-time, but only in one or more Master Unit Baskets. A “Master Unit Basket” is a block of 50,000 Master Fund Units. Master Unit Baskets may be created or redeemed only by the Fund. Each Share issued by the Fund will correlate with a Master Fund Unit issued by the Master Fund and held by the Fund.

Authorized Participants are the only persons that may place orders to create and redeem Baskets. Investors are not permitted to purchase Baskets from Authorized Participants. To become an Authorized Participant, a person must enter into a Participant Agreement with the Fund and the Managing Owner. The Participant Agreement sets forth the procedures for the creation and redemption of Baskets and for the payment of cash required for such creations and redemptions. The Participant Agreement and the related procedures attached thereto may be amended by the Managing Owner and ALPS Distributors, Inc (the “Distributor”) without the consent of any Shareholder or Authorized Participant. To compensate Bank of New York Mellon (the “Administrator”) for services in processing the creation and redemption of Baskets, an Authorized Participant is required to pay a transaction fee to the Fund of \$500 per order to create or redeem Baskets. In turn, the Fund pays this transaction fee to the Master Fund, which then pays such fee to the Administrator. Authorized Participants who purchase Baskets receive no fees, commissions or other form of compensation or inducement of any kind from either the Managing Owner or the Fund, and no such person has any obligation or responsibility to the Managing Owner or the Fund to effectuate any sale or resale of Shares.

Authorized Participants are cautioned that some of their activities will result in their being deemed participants in a distribution in a manner which would render them statutory underwriters and subject them to the prospectus-delivery and liability provisions of the Securities Act.

Each Authorized Participant must be registered as a broker-dealer under the Securities Exchange Act of 1934 (the “Exchange Act”) and regulated by the Financial Industry Regulatory Authority (“FINRA”), or be exempt from being or otherwise not be required to be so regulated or registered, and must be qualified to act as a broker or dealer in the states or other jurisdictions where the nature of its business so requires. Certain Authorized Participants may be regulated