

Chapter 668A

Singapore Fuel Oil 380 cst (Platts) Average Price Option

668A.01. EXPIRATION

A Singapore Fuel Oil 380 cst (Platts) Average Price Option contract listed on the Exchange shall expire at the close of trading on the last business day of the calendar month.

668A.02. TRADING UNIT

A Singapore Fuel Oil 380 cst (Platts) Average Price call Option traded on the Exchange represents the differential between the final settlement price of the underlying Singapore 380 cst Fuel Oil contract less the strike price, or zero whichever is greater, multiplied by 1,000 metric tons. A Singapore Fuel Oil 380 cst (Platts) Average Price put Option represents the differential between the strike price and the final settlement price of the underlying Singapore Fuel Oil 380 cst Futures contract, or zero, whichever is greater, multiplied by 1,000 metric tons.

668A.03. TRADING MONTHS

Trading in Singapore Fuel Oil 380 cst (Platts) Average Price Option contracts shall be conducted in the months as shall be determined by the Exchange. Trading shall commence on the day fixed by the resolution of the Exchange.

668A.04. HOURS OF TRADING

The Singapore Fuel Oil 380 cst (Platts) Average Price Option contract is available for open outcry trading on the Exchange trading floor between 9:00 a.m. to 2:30 p.m. (New York prevailing time) Monday through Friday, except on Exchange Holidays.

The Singapore Fuel Oil 380 cst (Platts) Average Price Option contract is available for clearing on CME ClearPort[®] clearing platform from 6:00 p.m. Sundays through 5:15 p.m. Fridays (New York prevailing time), with a 45-minute halt in trading each day between 5:15 p.m. and 6:00 p.m., except on Exchange Holidays.

668A.05. STRIKE PRICES

Trading shall be conducted for options with strike prices in increments as set forth below.

- (A) On the first business day of trading in an option contract month, trading shall be at the following strike prices: (i) the previous day's settlement price for Singapore 380 cst Fuel Oil contracts in the corresponding delivery month rounded off to the nearest fifty-cent increment strike price unless such settlement price is precisely midway between two fifty-cent increment strike prices in which case it shall be rounded off to the lower fifty-cent increment strike price; and (ii) the twenty fifty-cent increment strike prices which are twenty increments higher than the strike price described in (i) of this Rule 668A.05(A); and (iii) the twenty fifty-cent increment strike prices which are twenty increments lower than the strike price described in (i) of this Rule 668A.05
- (B) Thereafter, on any business day prior to the expiration of the option (i) new consecutive fifty-cent increment strike prices for both puts and calls will be added such that at all times there will be at least twenty fifty-cent increment strike prices above and below the at-the-money strike price available for trading in all options contract months.
- (C) Notwithstanding the provisions of subsections (A) and (B) of this Rule, if the Exchange determines that trading in Singapore Fuel Oil 380 cst (Platts) Average Price Option contracts will be facilitated thereby, the Exchange may, by resolution, change the increments between strike prices, the number of strike prices which shall be traded on the first day in any new option contract month, the number of new strike prices which will be introduced on each business day or the period preceding the expiration of a Singapore Fuel Oil 380 cst (Platts) Average Price Option contract in which no new strike prices may be introduced.

668A.06. PRICES

Prices shall be quoted in dollars and cents per metric ton. The minimum price increment will be \$0.001 per metric ton. A cabinet trade may occur at a price of \$.001 per metric ton, or \$1.00, however, if it results in the liquidation of positions for both parties to trade.

668A.07. ABSENCE OF PRICE FLUCTUATION LIMITATIONS

Trading in Singapore Fuel Oil 380 cst (Platts) Average Price Option contracts shall not be subject to price fluctuation limitations.