



Special Executive Report

DATE: December 4, 2019

SER#: 8497

SUBJECT: Amendments to the 3.5% Fuel Oil Barges FOB (Platts) Crack Spread (1000mt) Average Price Option Contract

Effective Wednesday, December 18, 2019 for trade date Thursday, December 19, 2019, and pending all relevant CFTC regulatory review periods, New York Mercantile Exchange ("NYMEX" or "Exchange") will amend the 3.5% Fuel Oil (Platts) Crack Spread (1000mt) Average Price Option contract (Rulebook Chapter 253; Commodity Code BCO) (the "Contract").

Specifically, the Exchange is converting the margin style of the Contract from equity style to futures style. In practice the Exchange has been utilizing futures style margining of the Contract. As a result, the Exchange will also amend the title of the Contract to reflect the change (collectively, the "Rule Amendments"). The Rule Amendments will align the rules with the current practice. Open interest holders have been notified of the proposal and are in favor of the Rule Amendments.

The Rule Amendments are provided below in Exhibit A with additions underscored.

Please refer questions on this subject to:

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EXHIBIT A

NYMEX Rulebook

(additions underscored)

Chapter 253

3.5% Fuel Oil Barges FOB (Platts) Crack Spread (1000mt) Futures-Style Margined Average Price Option

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253101. OPTION CHARACTERISTICS

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253101.G. Settlement Variation and Option Value

This contract is a futures-style margin option. Settlement variation rules for futures-style margin options conform to those set forth for non-options stipulated in NYMEX Rule 814. As such, when a clearing member or its customers is long or short any amount of any commodity for a settlement cycle, as indicated by Clearing House records, settlement for any outstanding exposure shall be made with the Clearing House based on the settlement price for that settlement cycle. For futures-style margin options, each clearing member and its customers shall pay to, or collect from, the Clearing House any loss or profit, as the case may be, represented by the difference between (x) the settlement price of the futures-style margin option for such settlement cycle and (y) the settlement price of the futures-style margin option for the prior settlement cycle (or, for the first settlement cycle after the purchase/sale of such option, the price at which the option was purchased or sold).

[Remainder of Chapter unchanged.]