Chapter 14T
Options on Black Sea Wheat Financially Settled (Platts) Futures

14T100. SCOPE OF CHAPTER
This chapter is limited in application to put and call options on Black Sea Wheat Financially Settled (Platts) futures contracts. In addition to the rules of this chapter, transactions in options on Black Sea Wheat Financially Settled (Platts) futures shall be subject to the general rules of Exchange insofar as applicable.

14T101. OPTION CHARACTERISTICS
14T101.A. Contract Months
Trading may be scheduled in such months as determined by the Exchange and the number of months open for trading at a given time shall also be determined by the Exchange.

14T101.B. Trading Unit
Each option reflects one fifty (50) metric tons Black Sea Wheat Financially Settled (Platts) futures contract with the same contract month.

14T101.C. Minimum Fluctuations
Prices shall be quoted in U.S. dollars and cents per metric ton. The minimum price fluctuation shall be $0.05 per metric ton or $2.50 per contract. However, a position may be initiated or liquidated at a premium of $1.00 per option contract.

14T101.D. Trading Hours
The hours of trading for this contract shall be determined by the Exchange.

14T101.E. Exercise Prices
Trading shall be conducted for call and put options with strike prices in integral multiples of $2.50 per metric ton. New strike prices at regularly defined intervals shall be added for trading on an as-needed basis.

14T101.F. Position Limits, Exemptions, Position Accountability and Reportable Levels
The applicable position limits and/or accountability levels, in addition to the reportable levels, are set forth in the Position Limit, Position Accountability and Reportable Level Table in the Interpretations & Special Notices Section of Chapter 5.

A Person seeking an exemption from position limits for bona fide commercial purposes shall apply to the Market Regulation Department on forms provided by the Exchange, and the Market Regulation Department may grant qualified exemptions in its sole discretion.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

14T101.G. Nature of Option
Options on Black Sea Wheat Financially Settled (Platts) futures contracts are European-Style expiry options and may not be exercised prior to expiration. The options are financially settled on expiration day.

14T101.H. Termination of Trading
Trading terminates on the last trading day of the corresponding Futures contract.

14T102. CASH SETTLEMENT
For a Call option on Black Sea Wheat Financially Settled (Platts) futures contracts, the cash settlement amount on expiration day is the differential between the Floating Price and the strike price, multiplied by 50 metric tons, or zero, whichever is greater.

For a Put option on Black Sea Wheat Financially Settled (Platts) futures contracts, the cash settlement amount on expiration day is the differential between the strike price and the Floating Price, multiplied by 50 metric tons, or zero, whichever is greater.

The Floating Price for each contract month shall be equal to the arithmetic average of the "FOB Black Sea wheat (Russia, 12.5%)" price assessment published by Platts for each day that it is determined during the contract month. The Floating Price shall be rounded to the nearest $0.01.

14T103. OPTION PREMIUM FLUCTUATION LIMITS
There are no option premium limits during any day for options on Black Sea Wheat Financially Settled (Platts) futures contracts.

14T104. PAYMENT OF OPTION PREMIUM

The option premium must be paid in full by each clearing member to the Clearing House and by each option customer to his futures commission merchant at the time that the option is purchased, or within a reasonable time after the option is purchased.

14T105. DISCLAIMER


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