Chapter 23
Event Contracts

2300. SCOPE OF CHAPTER
Event Contracts are daily-expiring, cash-settled, European style, premium style, options on futures contracts.
Each Event Contract shall expire on the Expiration Date to the daily settlement price of the Principal Contract Month of the Underlying Futures as calculated by the Exchange at a time determined by the Exchange.
An Event Contract gives the right to receive a fixed Settlement Value per Contract on the Settlement Date.
The following Rules set forth the terms of Event Contracts. In addition to the Rules of this chapter, Event Contracts shall be subject to the general rules of the Exchange as applicable.
Unless otherwise specified, times referenced herein shall refer to and indicate Central time.

2301. DEFINITIONS
“Call Contract” pays the corresponding Settlement Value if at Expiration the daily settlement price for the Underlying Futures is strictly above the strike price and zero otherwise.
“Expiration” means the time on the Expiration Date established by these Rules at which an Event Contract expires, and the Settlement Value of that Event Contract is determined.
“Expiration Date” means the Business Day established by these Rules on which the Settlement Value of each Event Contract is determined.
“Principal Contract Month” means the expiration month of the Underlying Futures, as identified by the Exchange, to which the Event Contract will base its settlement on, as set forth in the Strike Price Listing and Exercise Procedures Table.
“Put Contract” pays the corresponding Settlement Value if at Expiration the daily settlement price for the Underlying Futures is equal to or less than the strike price and zero otherwise.
“Settlement Value” is the amount paid to the holder of the in-the-money Event Contract at Expiration.
“Strike Price” is the Exchange established price level to determine if the Event Contract will be above or below at Expiration Date to calculate the Settlement Value.
“Underlying Futures” means the underlying futures contract upon which the Event Contract is based.

2302. EVENT CONTRACTS CHARACTERISTICS
2302.A. Trading Schedule
Event Contracts shall be listed for Expiration on such dates and shall be scheduled for trading during such hours as may be determined by the Exchange.
2302.B. Trading Unit
Prices shall be quoted in U.S. dollars and cents per Event Contract.
2302.C. Price Increments
Event Contracts shall be quoted with a price range from zero (0) to twenty (20) equal to $0.00 - $20.00.
The minimum price increment for each Event Contract shall be 0.25 equal to $0.25.
2302.D. Strike Price Listing Schedule
On any Business Day, and subject to Rule 2302.A., the Exchange shall list for trading all Put and Call Event Contracts at such strike intervals and such range of strike prices as set forth in the Strike Price Listing and Exercise Procedures Table.
Additional strikes may be listed for trading, and strikes scheduled to be listed for trading may be suspended at the sole discretion of the Exchange.
2302.E. Termination of Trading
Trading shall terminate at the end of the daily settlement period for the Underlying Futures, on the Expiration Date that the Event Contract was listed for.

2302.F. Position Limits, Exemptions, Position Accountability and Reportable Levels

The applicable position limits and accountability 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.

2302.G. Settlement Value

The Settlement Value of each Event Contract shall be determined by the Exchange as the daily settlement price of the Principal Contract Month of the Underlying Futures at Expiration.

(a) For a Call Contract, if that day’s settlement price of the Underlying Futures is strictly above the strike price, the Event Contract shall be deemed to have expired in-the-money, with a Settlement Value of $20.00; conversely, if that day’s settlement price of the Underlying Futures is equal to, or below the strike price, the Event Contract shall be deemed to have expired out-of-the-money, with a Settlement Value of $0.00.

(b) For a Put Contract, if that day’s settlement price of the Underlying Futures is equal to, or below the strike price, the Event Contract shall be deemed to have expired in-the-money, with a Settlement Value of $20.00; conversely, if that day’s settlement price of the Underlying Futures is above the strike price, the Event Contract shall be deemed to have expired out-of-the-money, with a Settlement Value of $0.00.

2302.H. Final Settlement

Following the determination of the Final Settlement Value (Rule 2302.G.), the Clearing House shall effectuate the Final Settlement in accordance with normal settlement variation procedures.

2303. TRADING HALTS AND CONTINGENCIES

2303.A. Market Disruption Events

In the event of a market disruption in the Underlying Futures, upon which any Event Contract is based, all executed Event Contracts shall settle on their originally listed Expiration Date, to a Settlement Value determined by the Exchange as the daily settlement price of the Principal Contract Month of the Underlying Futures at Expiration.

The Final Settlement of an expiring Event Contract shall not be deferred except as provided in Rule 2303.D.

2303.B. Special Price Fluctuation Limits

At the commencement of each trading day, Event Contracts shall also be subject to special fluctuation limits as set forth in Rule 589 and in the Special Price Fluctuation Limits and Daily Price Limits Table in the Interpretations & Special Notices Section of Chapter 5.

2303.C. Discretion to Refrain from Listing Contracts

The Exchange may, in its discretion, temporarily refrain from the listing of any Event Contract due to the unavailability of the Underlying Futures upon which the Event Contract is based, or any other condition the Exchange determines may be detrimental to the listing of the Event Contract.

2303.D. Settlement Contingencies

In the event the Exchange is unable to establish a reliable settlement price for the Underlying Futures upon which any Event Contract is based, or no daily settlement price is determined by the Exchange, final settlement shall be deferred until such time a daily settlement price for the Underlying Futures is determined. Notwithstanding the delay, trading in the Event Contract shall seize at the originally determined Expiration.
## EVENT CONTRACTS AND RELATED UNDERLYING FUTURES CONTRACTS

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