

Chapter 1065

Short-Term Crude Oil Option

1065.01 EXPIRATION

Expiration shall be in accordance with the following schedule. On the initial listing date, the Short-Term Crude Oil option will be listed with expiration four business days from the listing date. Thereafter, an additional contract will be listed for expiration four days after that business day. In the event that the expiration day of the Short-Term Crude Oil option coincides with the expiration of the associated Crude Oil option, the Short-Term Crude Oil option will not be listed. No Short-Term Crude Oil option shall be listed if its expiration coincides with an Exchange holiday.

1065.02 OPTION TYPE

A Short-Term Crude Oil option is a European-style option.

1065.03 TRADING UNIT

A Short-Term Crude Oil put option contract traded on the Exchange represents the cash difference between the exercise price and the settlement price of the first nearby underlying Light Sweet Crude Oil futures contract multiplied by 1,000, or zero, whichever is greater. In the event that the option is expiring on the last trading day of the first nearby underlying Light Sweet Crude Oil futures contract, the second nearby underlying futures will be used for settlement. A Short-Term Crude Oil call option contract traded on the Exchange represents the cash difference between the settlement price of the first nearby Crude Oil futures contract and the exercise price multiplied by 1,000, or zero, whichever is greater. In the event that the option is expiring on the last trading day of the first nearby Crude Oil futures contract, the second nearby underlying futures will be used for settlement.

1065.04 STRIKE PRICES

Transactions shall be conducted for option contracts as set forth in Rule 300.20.

1065.05 TRADING MONTHS

Trading in Short-Term Crude Oil option contracts shall be conducted in the days determined by the Exchange.

1065.06 PRICES

Prices shall be quoted in dollars and cents per barrel. The minimum price increment will be \$0.01 per barrel, or \$10 per contract. A cabinet trade may occur at the price of \$0.001 per barrel or \$1.00 per contract.

1065.07

ABSENCE OF PRICE FLUCTUATION LIMITATIONS

Trading in Short-Term Crude Oil option contracts shall not be subject to price fluctuation limitations