

Chapter 310

Light Sweet Crude Oil Option

310100. SCOPE OF CHAPTER

This chapter is limited in application to put and call options on the Light Sweet Crude Oil (CL) futures contract. In addition to the rules of this chapter, transactions in the Light Sweet Crude Oil Option contract shall be subject to the general rules of the Exchange insofar as applicable.

310101. OPTION CHARACTERISTICS

The number of months open for trading at a given time shall be determined by the Exchange.

310101.A. Trading Schedule

The hours of trading for this contract shall be determined by the Exchange.

310101.B. Trading Unit

A Put or Call Option contract represents an option to assume a short or long position in the underlying Light Sweet Crude Oil futures contract.

310101.C. Price Increments

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

310101.D. 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.

310101.E. Termination of Trading

A Light Sweet Crude Oil Option shall expire at the close of trading on the third business day immediately preceding the expiration of the underlying Light Sweet Crude Oil futures contract. The expiration date shall be announced prior to the listing of the option contract.

310101.F. Type Option

The option is an American-style option which can be exercised on any Business Day prior to and until expiration day.

310102. EXERCISE PRICES AND CHARACTERISTICS

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

310103. SPECIAL PRICE FLUCTUATION LIMITS

At the commencement of each trading day, the contract shall 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.