Chapter 311
EIA Flat Tax On-Highway Diesel Average Price Option

311100. SCOPE OF CHAPTER
This chapter is limited in application to EIA Flat Tax On-Highway Diesel Average Price put and call options on the EIA Flat Tax On-Highway Diesel futures contract. In addition to the rules of this chapter, transactions in the EIA Flat Tax On-Highway Diesel Average Price Option contract shall be subject to the general rules of the Exchange insofar as applicable.

311101. OPTION CHARACTERISTICS
The number of contracts open for trading at a given time shall be determined by the Exchange.

311101.A. Trading Schedule
The hours of trading for this contract shall be determined by the Exchange.

311101.B. Trading Unit
On expiration of a call option, the option will be financially settled by subtracting the strike price from the underlying settlement price of the EIA Flat Tax On-Highway Diesel Futures contract multiplied by 42,000 gallons, or zero, whichever is greater. On expiration of a put option, the option will be financially settled by subtracting the underlying settlement price of the EIA Flat Tax On-Highway Diesel Swap Futures contract from the strike price multiplied by 42,000 gallons, or zero, whichever is greater.

311101.C. Price Increments
Prices shall be quoted in dollars and cents per gallon. The minimum price increment will be one-hundredth cent ($0.0001) per gallon.

311101.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.

311101.E. Termination of Trading
An EIA Flat Tax On-Highway Diesel Average Price Option contract shall expire on the last business day of the contract month.

311101.F. Type Option
The option is a financially-settled European-style Option contract which cannot be exercised prior to expiration.

311102. EXERCISE PRICES AND CHARACTERISTICS
Transactions shall be conducted for option contracts as set forth in Rule 300.20.
311103. **DISCLAIMER**

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