Chapter 321
NY Harbor ULSD Average Price Option

321100. SCOPE OF CHAPTER
This chapter is limited in application to NY Harbor ULSD Average Price put and call options on the NY Harbor ULSD futures contract. In addition to the rules of this chapter, transactions in the NY Harbor ULSD Average Price Option contract shall be subject to the general rules of the Exchange insofar as applicable.

321101. OPTION CHARACTERISTICS
The number of months open for trading at a given time shall be determined by the Exchange.

321101.A. Trading Schedule
The hours of trading for this contract shall be determined by the Exchange.

321101.B. Trading Unit
On expiration of a Call Option, the value will be the difference between the average daily settlement price during the calendar month of the first nearby NY Harbor ULSD futures contract and the strike price multiplied by 42,000 gallons, or zero whichever is greater. On expiration of a Put Option, the value will be the difference between the strike price and the average daily settlement price during the calendar month of the first nearby NY Harbor ULSD futures contract, or zero whichever is greater, multiplied by 42,000 gallons, or zero, whichever is greater.

321101.C. Price Increments
Prices shall be quoted in dollars and cents per gallon and prices shall be in multiples of $0.0001 per gallon. A cabinet trade may occur at a price of $0.0000238 per gallon, or $1.00 per contract.

321101.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.

321101.E. Termination of Trading
A NY Harbor ULSD Average Price Option Contract shall expire on the last business day of the Calendar Month. The expiration date shall be announced prior to the listing of the option contract.

321101.F. Type Option
A NY Harbor ULSD Average Price Option is a cash-settled European-Style Average Price option which cannot be exercised prior to expiration.

321102. EXERCISE PRICES AND CHARACTERISTICS
Transactions shall be conducted for option contracts as set forth in Rule 300.20.

321103. 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.