

Chapter 371

NY Harbor ULSD vs. Low Sulphur Gasoil (1,000bbl) Futures

371100. SCOPE OF CHAPTER

The provisions of these rules shall apply to all futures contracts bought or sold on the Exchange for cash settlement based on the Floating Price.

371101. CONTRACT SPECIFICATIONS

The Floating Price for each contract month is equal to the arithmetic average of the NY Harbor ULSD Futures first nearby settlement price minus the first line Low Sulphur Gasoil (1,000bbl) (ICE) Futures settlement price for each business day during the contract month.

For purposes of determining the Floating Price, the Low Sulphur Gasoil Futures first nearby contract month settlement price will be converted each day to US dollars and cents per gallon, rounded to the nearest cent using a conversion factor of 7.45 barrels per metric ton, and 42 gallons per barrel. Except as noted below:

The settlement prices for the first nearby contract month will be used except on the last day of trading for the expiring Low Sulphur Gasoil Futures contract when the settlement prices of the second nearby Low Sulphur Gasoil contract will be used.

The Floating Price is calculated using the non-common pricing convention. In calculating the spread differential, the monthly average for each component leg of the spread shall be calculated by using all trading days in the month for each component leg of the spread, followed by the calculation of the spread differential between the two averages.

371102. TRADING SPECIFICATIONS

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

371102.A. Trading Schedule

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

371102.B. Trading Unit

The contract quantity shall be 42,000 gallons (equivalent to 1,000 barrels). Each contract shall be valued as the contract quantity (42,000) multiplied by the settlement price.

371102.C. Price Increments

Prices shall be quoted in U.S. dollars and cents per gallon. The minimum price fluctuation shall be \$0.0001 per gallon.

371102.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.

371102.E. Termination of Trading

Trading shall cease on the last business day of the contract month.

371103. FINAL SETTLEMENT

Delivery under the contract shall be by cash settlement. Final settlement, following termination of trading for a contract month, will be based on the Floating Price. The final settlement price will be the Floating Price calculated for each contract month.