

## Chapter 394

### Brent Calendar Spread Option

#### 394100. SCOPE OF CHAPTER

This chapter is limited in application to put and call options on the Brent Crude Oil Last Day Financial Futures contract. In addition to the rules of this chapter, transactions in options on Brent Crude Oil Last Day Financial Futures shall be subject to the general rules of the Exchange insofar as applicable.

#### 394101. OPTION CHARACTERISTICS

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

##### 394101.A. Trading Schedule

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

##### 394101.B. Trading Unit

A Brent Calendar Spread Put Option contract traded on the Exchange represents an option to assume a short position in the first expiring Brent Crude Oil Last Day Financial Futures in the spread and a long position in the second expiring Brent Crude Oil Last Day Financial Futures in the spread traded on the Exchange. A call option represents an option to assume a long position in the first expiring Brent Crude Oil Last Day Financial Futures in the spread and a short position in the second expiring Brent Crude Oil Last Day Financial Futures in the spread traded on the Exchange.

##### 394101.C. Price Increments

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

##### 394101.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.

##### 394101.E. Termination of Trading

Trading terminates one business day prior to the first expiring futures leg in the spread.

##### 394101.F. Type Option

The option is a European-style option which can be exercised on the expiration day.

#### 394102. EXERCISE PRICES AND CHARACTERISTICS

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