Chapter 468
Crude Oil Mid-Curve Option

46800. SCOPE OF CHAPTER
This chapter is limited in application to Crude Oil Mid-Curve put and call options on WTI Crude Oil Futures contract. In addition to the rules of this chapter, transactions in Crude Oil Mid-Curve Option shall be subject to the general rules of the Exchange insofar as applicable.

46801. OPTION CHARACTERISTICS
The number of months open for trading at a given time shall be determined by the Exchange.

46801.A. Trading Schedule
The hours of trading for this contract shall be determined by the Exchange.

46801.B. Trading Unit
A Crude Oil Mid-Curve will be listed for the nearest June/December cycle. A call (put) option traded on the Exchange represents an option to assume a long (short) position in Crude Oil futures in accordance with the following schedule:
LM1: the second nearest to expiry June/December futures contract
LM2: the third nearest to expiry June/December futures contract
LM3: the fourth nearest to expiry June/December futures contract
LM4: the fifth nearest to expiry June/December futures contract
LM5: the sixth nearest to expiry June/December futures contract

46801.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.

46801.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.

46801.E. Termination of Trading
Options shall expire at the close of trading on the same business day as the corresponding monthly Crude Oil option.

46801.F. Type of Option
The option is an American-style option which can be exercised on any business day prior to and until expiration day.

46801.G. 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 Table in the Interpretations & Special Notices Section of Chapter 5.

46802. EXERCISE PRICES
Transactions shall be conducted for option contracts as set forth in Rule 300.20.