

Chapter 545

RBOB Gasoline Brent Crack Spread Average Price Option

545100. SCOPE OF CHAPTER

This chapter is limited in application to put and call options on RBOB Gasoline Brent Crack Spread futures contracts. In addition to the rules of this chapter, transactions in options on RBOB Gasoline Brent Crack Spread futures shall be subject to the general rules of the Exchange insofar as applicable.

545101. OPTION CHARACTERISTICS

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

545101.A. Trading Schedule

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

545101.B. Trading Unit

A RBOB Gasoline Brent Crack Spread Average Price Call Option traded on the Exchange represents the differential between the underlying spread and the strike price, multiplied by 1,000 barrels, or zero, whichever is greater. The underlying spread is equal to the arithmetic average of the RBOB Gasoline futures contract first nearby settlement price minus the Brent Crude Oil (ICE) Futures contract first nearby settlement price for each business day during the contract month (using Non-common pricing), except for (A) below. For purposes of determining the Floating Price, the gasoline assessment price will be converted each day to U.S. dollars and cents per barrel, rounded to the nearest cent. (A) The settlement prices of the 1st nearby contract month will be used except on the last day of trading for the expiring Brent Crude Oil Futures contract when the settlement prices of the 2nd nearby contract will be used. The underlying spread is also the final settlement price of the underlying RBOB Gasoline Brent Crack Spread futures. A RBOB Gasoline Brent Crack Spread Average Price Put Option traded on the Exchange represents the differential between the strike price and the underlying spread, multiplied by 1,000 metric tons, or zero, whichever is greater. The underlying spread is equal to the arithmetic average of the RBOB Gasoline futures first nearby contract settlement price minus the Brent Crude Oil (ICE) Futures contract first nearby settlement price for each business day during the contract month (using Non-common pricing), except for (A) below. For purposes of determining the Floating Price, the gasoline assessment price will be converted each day to U.S. dollars and cents per barrel, rounded to the nearest cent. (A) The settlement prices of the 1st nearby contract month will be used except on the last day of trading for the expiring Brent Crude Oil Futures contract when the settlement prices of the 2nd nearby contract will be used.

545101.C. Price Increments

Prices shall be quoted in dollars and cents per barrel and prices shall be in multiples of \$0.001 per barrel. The minimum price increment will be \$0.001.

545101.D. Position Limits and 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.

545101.E. Termination of Trading

The option contract shall expire at the close of trading on the last business day of the contract month.

545101.F. Type Option

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

545102. EXERCISE PRICES

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

545103. DISCLAIMER

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