Chapter 550
Light Sweet Crude Oil European Financial Option

550100. SCOPE OF CHAPTER
This chapter is limited in application to put and call options on the Light Sweet Crude Oil (CL) futures contract. In addition to the rules of this chapter, transactions in the Light Sweet Crude Oil European Financial Option contract shall be subject to the general rules of the Exchange insofar as applicable.

550101. OPTION CHARACTERISTICS
The number of months open for trading at a given time shall be determined by the Exchange.

550101.A. Trading Schedule
The hours of trading for this contract shall be determined by the Exchange.

550101.B. Trading Unit
Upon expiration of a Call Option, the value will be the difference between the settlement price of the underlying Light Sweet Crude Oil futures contract and the strike price multiplied by 1,000 Barrels, or zero, whichever is greater. Upon expiration of a Put Option, the value will be the difference between the strike price and the settlement price of the underlying Light Sweet Crude Oil futures contract multiplied by 1,000 Barrels, or zero, whichever is greater.

550101.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.

550101.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.

550101.E. Termination of Trading
The Option contract shall expire three business days prior to the termination date of the underlying Light Sweet Crude Oil futures contract. The expiration date shall be announced prior to the listing of the Option contract.

550101.F. Type Option
The Light Sweet Crude Oil European Financial Option contract is a financially settled European-style Option contract which cannot be exercised prior to expiration.

550102. EXERCISE PRICES AND CHARACTERISTICS
Transactions shall be conducted for option contracts as set forth in Rule 300.20.

550103. 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.