

Chapter 747

European-Style Low Sulphur Gasoil Option

747100. SCOPE OF CHAPTER

This chapter is limited in application to put and call options on European Low Sulphur Gasoil Bullet futures contract. In addition to the rules of this chapter, transactions in options on Low Sulphur Gasoil Bullet futures shall be subject to the general rules of the Exchange insofar as applicable.

747101. OPTION CHARACTERISTICS

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

747101.A. Trading Schedule

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

747101.B. Trading Unit

A European-Style Low Sulphur Gasoil Option is a Financially Settled Option. On expiration, the European-Style Low Sulphur Gasoil Call option will be financially settled by subtracting the strike price from the Settlement Price of the Underlying European Low Sulphur Gasoil Bullet Future contract multiplied by 1,000 metric tons, or zero, whichever is greater. On expiration, the European-Style Low Sulphur Gasoil Put option will be financially settled by subtracting from the Settlement Price of the Underlying European Low Sulphur Gasoil Bullet Future contract from the strike price multiplied by 1,000 metric tons, or zero, whichever is greater.

747101.C. Price Increments

Prices shall be quoted in dollars and cents per metric ton. The minimum price increment will be \$.01 per metric ton. A cabinet trade may occur at a price of \$0.001 per metric ton, or \$1.00 per a contract.

747101.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.

747101.E. Termination of Trading

Trading shall cease four business days prior to the expiration of the underlying European Low Sulphur Gasoil Bullet futures contract.

747101.F. Type Option

The Low Sulphur Gasoil Option is a financially settled European-style Option contract which cannot be exercised prior to expiration.

747102. EXERCISE PRICES AND CHARACTERISTICS

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