Chapter 820
WTI Houston vs. Brent Calendar Month Average Price Option

820100. SCOPE OF CHAPTER
The provisions of these rules shall apply to all option contracts bought or sold on the Exchange for cash settlement based on the Floating Price. The procedures for trading, clearing and settlement of this contract, and any other matters not specifically covered herein shall be governed by the general rules of the Exchange.

820101. CONTRACT SPECIFICATIONS
The Floating Price shall be determined following the expiration of trading. A WTI Houston vs. Brent Calendar Month Average Price put or call option contract is a European-style Average Price option cash-settled on expiration day.

820102. OPTION CHARACTERISTICS
The number of months open for trading at a given time shall be determined by the Exchange.
820102.A. Trading Schedule
The hours of trading shall be determined by the Exchange.
820102.B. Trading Unit
A WTI Houston vs. Brent Calendar Month Average Price Option is a cash-settled option. On expiration of a call option, the value will be the difference between the average daily settlement price during the calendar month of the first nearby settlement price of the underlying WTI Houston vs. Brent Calendar Month Futures and the strike price multiplied by 1,000 barrels, or zero whichever is greater. On expiration of a put option, the difference between the average daily settlement price during the calendar month of the first nearby settlement price of the underlying WTI Houston vs. Brent Calendar Month Futures and the strike price multiplied by 1,000 barrels, or zero whichever is greater.
820102.C. Price Increments
Prices shall be quoted in dollars and cents per barrel and prices shall be in multiples of one (1) cent per barrel. A cabinet trade may occur at a price of $0.001 per barrel, or $1.00.
820102.D. 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.
820102.E. 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.
820102.F. Expiration of Trading
A WTI Houston vs. Brent Calendar Month Average Price Option shall cease trading on the last business day of the contract month. The expiration date shall be announced prior to the listing of the option contract.

820103. EXERCISE PRICES
Transactions shall be conducted for option contracts as set forth in Rule 300.20.