

## Chapter 568

### Denatured Fuel Ethanol Option

#### **568100. SCOPE OF CHAPTER**

This chapter is limited in application to put and call options on the Denatured Fuel Ethanol Futures contract. In addition to the rules of this chapter, transactions in the Denatured Fuel Ethanol Option contract shall be subject to the general rules of the Exchange insofar as applicable.

For purposes of this rule, unless otherwise specified, times referred to herein shall refer to and indicate the Central Prevailing Time (CPT).

#### **568101. OPTION CHARACTERISTICS**

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

##### **568101.A. Trading Schedule**

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

##### **568101.B. Trading Unit**

A Denatured Fuel Ethanol Put or Call Option contract traded on the Exchange represents an option to assume a short or long position in the underlying Denatured Ethanol Futures contract traded on the Exchange.

##### **568101.C. Price Increments**

Prices shall be quoted in dollars and cents per gallon and prices shall be in multiples of \$0.00025 per gallon (\$10.50 per contract) for trades executed on CME Globex electronic trading platform and \$0.00005 per gallon (\$2.10 per contract) for transactions submitted for clearing via CME ClearPort..

##### **568101.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.

##### **568101.E. Termination of Trading**

A Denatured Fuel Ethanol Option shall expire at the close of trading on the 4<sup>th</sup> last Business Day in the month prior to the contract month.

##### **568101.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.

#### **568102. EXERCISE PRICES AND CHARACTERISTICS**

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

#### **568103. 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