

## Chapter 833

### Daily Crude Oil Option

#### 833100. 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 Daily Crude Oil Option contract shall be subject to the general rules of the Exchange insofar as applicable.

#### 833101. OPTION CHARACTERISTICS

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

##### 833101.A. Trading Schedule

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

##### 833101.B. Trading Unit

A Daily Crude Oil Put Option contract represents the cash difference between the exercise price and the settlement price of the first nearby settlement price of the Light Sweet Crude Oil futures multiplied by 1,000, or zero, whichever is greater. In the event that the Option is expiring on the last trading day of the first nearby Light Sweet Crude Oil Futures contract, the second nearby underlying futures will be used for settlement. A Daily Crude Oil Call Option contract represents the cash difference between the settlement price of the first nearby settlement price of the Light Sweet Crude Oil futures contract and the exercise price multiplied by 1,000, or zero, whichever is greater. In the event that the option is expiring on the last trading day of the first nearby Light Sweet Crude Oil futures contract, the second nearby underlying futures will be used for settlement.

##### 833101.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.

##### 833101.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.

##### 833101.E. Termination of Trading

A Daily Crude Oil Option contract shall expire at the close of trading on the business day that it was initially listed.

##### 833101.F. Type Option

The Daily Crude Oil Option contract is a financially settled European-style Option contract which cannot be exercised prior to expiration.

#### 833102. EXERCISE PRICES AND CHARACTERISTICS

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

#### 833103. 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.