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March 10, 2023

**VIA ELECTRONIC PORTAL**

Mr. Christopher J. Kirkpatrick  
Office of the Secretariat  
Commodity Futures Trading Commission  
3 Lafayette Center  
1155 21<sup>st</sup> Street NW  
Washington, DC 20581

**Re: SMFE 2023-001 - Weekly Notification of Rule Amendments - Delisting of all Small US Crude Oil Futures Contracts - Submission Pursuant to CFTC Regulation 40.6(d)**

Dear Mr. Kirkpatrick:

Pursuant to Section 5c(c)1 of the Commodity Exchange Act, as amended (the “Act”) and Commodity Futures Trading Commission (“Commission”) Regulation 40.6(d), Small Exchange, Inc. d/b/a crypto.com | Derivatives North America (the “Exchange”) submits notice to the Commission that, effective as of the close of business March 10, 2023, the Exchange will have delisted all Small US Crude Oil Futures Contracts. As of this date, the contracts being delisted will have no open interest and no new eligible contract dates will be listed going forward. Rulebook deletions are attached as Exhibit A, with an effective date of March 10, 2023.

The Exchange certifies that, concurrent with this filing, a copy of this submission was posted on the Exchange’s website and may be accessed at [www.smallexchange.com](http://www.smallexchange.com). If you have any questions or need further information, please contact the undersigned at (312) 761-1660.

Regards,

/s/ Peter D. Santori  
Chief Regulatory Officer and  
Chief Compliance Officer

Enclosed: Exhibit A

**Exhibit A**  
**(additions underlined; deletions ~~overstruck~~)**

\* \* \*

## **Chapter 37: ~~Small US Crude Oil Futures Contracts~~Reserved**

### ~~37001. Scope of Chapter~~

~~This chapter is limited in application to Small US Crude Oil Futures Contracts (“Contract” or “Contracts”). The provisions of these rules shall apply to all Contracts bought or sold on the Exchange for cash settlement. Unless otherwise indicated, the procedures for trading, clearing and cash settlement of Contracts and any other matters not specifically covered herein including, without limitation, the definitions of terms, shall be governed by the Rules of the Exchange.~~

### ~~37002. Contract Specifications~~

~~The Small US Crude Oil Futures Contract is a cash settled future whose underlying is a United States referenced blend of several streams of domestic light sweet crude oil having an API Gravity between 38° and 43°, and a Sulfur content of less than 0.42%.~~

### ~~37003. Trading Specifications~~

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

#### ~~*37003.A. Trading Schedule*~~

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

#### ~~*37003.B. Trading Unit*~~

~~The trading unit is equal to \$100 times the current Contract price.~~

#### ~~*37003.C. Price Increments*~~

~~Stated in decimals, to two decimal points in U.S. dollars and cents. Prices will be available during all trading hours. Tick sizes are 0.01 equal to \$1.00 per Contract.~~

#### ~~*37003.D. Price Limits*~~

~~The Exchange uses intraday and daily price limits to ensure its markets work in an efficient and orderly manner during large, unexpected movements and increased volatility. The Exchange employs two intraday limits of 9% and 13% and a daily limit of 20% all using the Contract’s previous day’s settlement value, as described below:~~

●—— Once an intraday price limit is reached, the following actions take place over the next three (3) minutes:

○ The market enters a “paused” state for one (1) minute, with no order matching or trades occurring. Only order cancellations are allowed. New and replace orders are rejected by the Trading System.

○ During the second minute, the market enters the “pre-open” state, where no orders match and no Trades occur, but orders on opposite sides of the market may cross. Limit, Stop and Stop Limit order types are accepted with a time in force of Good Till Cancelled (“GTC”) or Day. Orders can also be canceled or replaced. Market, Fill or Kill (“FOK”) and Immediate or Cancel (“IOC”) orders are rejected by the Trading System.

○ In the third minute, the market enters a “pre-open no cancel” state, where no orders match and no Trades occur, but orders on opposite sides of the market may cross. Limit, Stop and Stop Limit order types are accepted with a time in force of GTC or Day. Cancel and replace requests will not be accepted. Market, FOK and IOC orders are rejected by the Trading System.

○ At the end of the third minute, the market enters an “open” state, with regular price-time priority matching in effect, and all supported orders are accepted. Upon reopening, the Exchange does not calculate or disseminate an opening print.

▪—— Once the market enters an “open” state after an intraday limit of 9% has been reached on the up (down) side, all Contracts will be subject, for the remainder of the Business Day, only to an intraday limit of 13% and a daily limit of 20% on the up (down) side all using the Contract’s previous day’s Daily Settlement.

▪—— Once the market enters an “open” state after an intraday limit of 13% has been reached on the up (down) side, all Contracts will be subject, for the remainder of the Business Day, only to a daily limit of 20% on the up (down) side all using the Contract’s previous day’s Daily Settlement.

○ In the event that an intraday price limit is reached within three (3) minutes of the Exchange’s market close time, the Exchange shall not reopen. The Exchange will publish a Daily Settlement or a Final Settlement on the Contract’s day of expiration, as appropriate, using the process set forth in Exchange Rules 904 and 37004, as appropriate, and the intraday price limit pause time as the Exchange’s market close time for the purposes of such process.

- ~~\_\_\_\_\_ The market cannot trade at prices 20% above or below the Contract's previous day's settlement value. This is a pre-order validation that prevents the acceptance of orders at such prices in such circumstances. Further, the Contract shall not trade or settle at a price below \$0.01.~~

~~37003.E. Position Limits, Exemptions, Accountability Levels and Reportable Levels~~

~~Position limits for the Contracts are 5,000 Contracts five Business Days prior to expiration.~~

~~There are no exemptions.~~

~~Position accountability levels for the Contracts are 10,000.~~

~~Reportable levels for the Contract are 350.~~

~~Position limits, accountability levels and reportable levels are set forth in Exchange Rule 522, "Position Limits, Accountability Levels and Reportable Levels". Refer to Rule 522 for requirements concerning position limits, accountability levels and reportable levels.~~

~~37003.F. Settlement Timing and Termination of Trading~~

~~Contracts are cash settled in U.S. dollars on the second Friday of the month ("Final Settlement Day"). If the second Friday is a market holiday, the Final Settlement Day will be the first Business Day prior to the Friday holiday. Expiration will occur the same Business Day as the cash settlement of the Contract. Trading ceases on the trading day before the Contract's Final Settlement Day at 1:30:00PM CT. The expiring Contract will not trade on the Final Settlement Day. New Contracts will begin trading the trading day following the Final Settlement Day.~~

~~37004. Settlement, Value and Process~~

~~37004.A. Daily Settlement of the Front Month~~

~~If a Trade occurs in the last sixty (60) seconds of the Contract's Trading Hours, the Daily Settlement for the front month will be calculated using the volume weighted average price ("VWAP") of such Trades, rounded to the nearest tradable tick, or \$0.01. If there are no Trades during this time, the Exchange will use the last traded price for such day and, if that is not available, then the previous day's Daily Settlement will be used to determine the Daily Settlement for such Contracts.~~

~~37004.B. Daily Settlement of the Back Month~~

~~If a Trade occurs in the last sixty (60) seconds of the Contract's trading hours, the Daily Settlement will be calculated using the VWAP of such trades rounded to the nearest~~

tradable tick, or \$0.01. If there are no trades during this time, the Daily Settlement of such back month Contract will be calculated using calendar spreads. In the absence of relevant calendar spread trades during the trading day, the Daily Settlement for such back month Contract will be the front month Daily Settlement for such product plus the previous day's front month Daily Settlement minus the back month spread value.

*37004.C. Final Settlement*

Contracts are cash settled in U.S. dollars on the second Friday of the month. On the day of expiration, the Exchange determines the Final Settlement of the Contract by using the equivalent front month price of the corresponding United States referenced blend of several streams of domestic light sweet crude oil Future contract from the trading day prior, as made public by NYMEX (CL) and as published in the national print press.\*

Clearing Members holding open positions in an expiring Contract at its termination of trading shall make payment to or receive payment from the Clearing House in accordance with normal variation margin procedures based on such expiring Contract's Final Settlement.

*37004.D. Conflict with Exchange Rule 904*

If there is any conflict between this Chapter and Exchange Rule 904, with respect to application of Exchange Rule 904 to the trading, clearing and cash settlement of Contracts, this Chapter shall govern.

~~37005. Disclaimer~~

~~NEITHER THE SMALL EXCHANGE, INC. AND/OR ITS AFFILIATES GUARANTEES THE ACCURACY AND/OR COMPLETENESS OF THE CONTRACT OR ANY OF THE DATA INCLUDED THEREIN.~~

~~THE SMALL EXCHANGE, INC. AND/OR ITS AFFILIATES MAKES NO WARRANTIES, EXPRESS OR IMPLIED, AS TO THE RESULTS TO BE OBTAINED BY ANY PERSON OR ENTITY FROM THE USE OF THE CONTRACT, TRADING BASED ON THE CONTRACT, OR ANY DATA INCLUDED THEREIN IN CONNECTION WITH THE TRADING OF THE CONTRACTS, OR, FOR ANY OTHER USE. THE SMALL EXCHANGE, INC. AND/OR ITS AFFILIATES MAKE NO WARRANTIES, EXPRESS OR IMPLIED, AND HEREBY DISCLAIM ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE WITH RESPECT TO THE CONTRACT OR ANY DATA INCLUDED THEREIN, WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL THE SMALL EXCHANGE, INC. AND/OR ITS AFFILIATES HAVE ANY LIABILITY FOR ANY LOST PROFITS OR INDIRECT, PUNITIVE, SPECIAL, OR CONSEQUENTIAL DAMAGES (INCLUDING LOST PROFITS), EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES.~~

~~\*NYMEX is a registered trademark and CL is a ticker symbol of New York Mercantile Exchange, Inc. and/or its affiliates. Reference is made to them here only to describe the source of the Final Settlement.~~

**Exhibit A  
(clean)**

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**Chapter 37: Reserved**

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