

Chapter 52A

Options on Class III Milk Futures

52A00. SCOPE OF CHAPTER

This chapter is limited in application to options on Class III Milk futures. In addition to this chapter, options on Class III Milk futures shall be subject to the general rules and regulations of the Exchange insofar as applicable.

For purposes of this chapter, unless otherwise specified, times referred to herein shall refer to and indicate Chicago time.

52A01. OPTIONS CHARACTERISTICS

52A01.A. Contract Months

Options contracts shall be listed for such contract months and final settlement in such months as may be determined by the Exchange.

52A01.B. Trading Unit

The trading unit shall be an option to buy, in the case of the call, or to sell, in the case of the put, one Class III Milk futures contract as specified in Chapter 52.

52A01.C. Minimum Fluctuations

The price of an option shall be quoted in cents per hundredweight (cwt.). Minimum price fluctuations shall be in multiples of \$0.01 per cwt. (also known as one tick). A trade may also occur at a price of \$0.005 per cwt. (\$10.00, also known as one-half tick), whether or not it results in the liquidation of positions for both parties to the trade.

52A01.D. Trading Hours

The hours of trading for options on Class III Milk futures contracts shall be determined by the Exchange. Options on Class III Milk futures shall be opened and closed for all months and strike prices simultaneously.

52A01.E. ~~Exercise and~~ Exercise Prices

~~Transactions and exercise of options shall be conducted for option contracts as set forth in the [Strike Price Listing and Exercise Procedures Table](#).~~

~~The exercise prices shall be stated in terms of dollars per cwt. For all contract months, exercise prices shall be at intervals of \$0.25; e.g., \$11.75, \$12.00, \$12.25, etc.~~

~~At the commencement of option trading in a contract month, the Exchange shall list put and call options in a range within 50 percent above and below the strike closest to the previous day's settlement price of the underlying futures contract (the at-the-money strike). If the previous day's settlement price is midway between two strikes, the at-the-money strike shall be the larger of the two.~~

~~All strikes will be listed prior to the opening of trading on the following business day. As new strikes are added, existing strikes outside of the newly determined strike ranges without open interest may be de-listed. New strikes may be listed for trading up to and including the termination of trading.~~

~~The Exchange may modify the provisions governing the establishment of exercise prices as it deems appropriate. The Exchange may modify the procedure for the introduction of strike prices as it deems appropriate in order to respond to market conditions.~~

52A01.F. 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.

52A01.G. [Reserved]

52A01.H. [Reserved]

52A01.I. Termination of Trading

Options trading shall terminate on the same date and time as the underlying futures contract.

52A01.J. [Reserved]

52A02. EXERCISE AND ASSIGNMENT

In addition to the applicable procedures and requirements of Chapter 7, the following shall apply to the ~~exercise assignment~~ of Class III Milk options.

52A02.A. — Exercise of Option by Buyer

~~The buyer of a Class III Milk futures option may exercise the option on any Business Day prior to expiration by giving notice of exercise to the Clearing House by 5:30 p.m., or by such other time designated by the Exchange, on such day.~~

~~An option that is in the money and has not been liquidated or exercised prior to the termination of trading shall, in the absence of contrary instruction delivered to the Clearing House by 5:30 p.m. on the Business Day following the Expiration Day by the clearing member representing the option buyer, be exercised automatically. An option is in the money if the final settlement price of the underlying futures contract lies above the exercise price in the case of a call, or lies below the exercise price in the case of a put.~~

~~Corrections to option exercises, including automatic exercises, may be accepted by the Clearing House after the 5:30 p.m. deadline and up to the beginning of final option expiration processing provided that such corrections are necessary due to: (1) a bona fide clerical error, (2) an unreconciled Exchange option transaction(s), or (3) an extraordinary circumstance where the clearing firm and customer are unable to communicate final option exercise instructions prior to the deadline. The decision as to whether a correction is acceptable will be made by the President of the Clearing House, or the President's designee, and such decision will be final.~~

52A02.B. — Assignment

Exercise notices accepted by the Clearing House shall be assigned through a process of random selection to clearing members with open short positions in the same series. A clearing member to which an Exercise notice is assigned shall be notified thereof as soon as practicable after such notice is assigned by the Clearing House, but not later than 45 minutes prior to the opening of trading in the underlying futures contract on the following Business Day.

The clearing member assigned an Exercise notice shall be assigned a short position in the underlying futures contract if a call is exercised or a long position in the underlying futures contract if a put is exercised. The clearing member representing the option buyer shall be assigned a long position in the underlying futures contract if a call is exercised and a short position if a put is exercised.

All such futures positions shall be assigned at a price equal to the exercise price of the option and shall be marked to market in accordance with Rule 814 on the Trading Day of acceptance by the Clearing House of the Exercise notice.

52A03. [RESERVED]

52A04.-29. [RESERVED]

Chapter 52B Midsize Options on Class III Milk Futures

52B00. SCOPE OF CHAPTER

This chapter is limited in application to Midsize options on Class III Milk futures. In addition to this chapter, Midsize Options on Class III Milk futures shall be subject to the general rules and regulations of the Exchange insofar as applicable.

For purposes of this chapter, unless otherwise specified, times referred to herein shall refer to and indicate Chicago time.

52B01. OPTIONS CHARACTERISTICS

52B01.A. Contract Months

Options contracts shall be listed for such contract months and final settlement in such months as may be determined by the Exchange.

52B01.B. Trading Unit

The trading unit shall be an option to buy, in the case of the call, or to sell, in the case of the put, 1,000 times the USDA Class III price for milk, expressed in dollars per hundredweight (cwt.).

52B01.C. Minimum Fluctuations

The price of an option shall be quoted in cents per hundredweight. Minimum price fluctuations shall be in multiples of \$0.01 per cwt. (\$10.00, also known as one tick). A trade may also occur at a price of \$0.005 per cwt. (\$5.00, also known as one-half tick), whether or not it results in the liquidation of positions for both parties to the trade.

52B01.D. Trading Hours

The hours of trading for Midsize Options on Class III Milk futures contracts shall be determined by the Exchange. Midsize Options on Class III Milk futures shall be opened and closed for all months and strike prices simultaneously.

52B01.E. Exercise and Exercise Prices

Transactions and exercise of options shall be conducted for option contracts as set forth in the [Strike Price Listing and Exercise Procedures Table](#).

~~The exercise prices shall be stated in terms of dollars per cwt. For all contract months, exercise prices shall be at intervals of \$0.25; e.g., \$11.75, \$12.00, \$12.25, etc.~~

~~At the commencement of option trading in a contract month, the Exchange shall list put and call options in a range within 50 percent above and below the strike closest to the previous day's settlement price of the underlying futures contract (the at-the-money strike). If the previous day's settlement price is midway between two strikes, the at the money strike shall be the larger of the two.~~

~~All strikes will be listed prior to the opening of trading on the following business day. As new strikes are added, existing strikes outside of the newly determined strike ranges without open interest may be de-listed.~~

~~New strikes may be listed for trading up to and including the termination of trading.~~

~~The Exchange may modify the provisions governing the establishment of exercise prices as it deems appropriate. The Exchange may modify the procedure for the introduction of strike prices as it deems appropriate in order to respond to market conditions.~~

52B01.F. 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.

52B01.G. [Reserved]

52B01.H. [Reserved]

52B01.I. Termination of Trading

Midsize Options on Class III Milk futures trading shall terminate on the same date and time as the Class III Milk futures.

52B01.J. [Reserved]

52B02. **EXERCISE AND ASSIGNMENT**

In addition to the applicable procedures and requirements of Chapter 7, the following shall apply to the exercise assignment of Midsize Options on Class III Milk futures.

52B02.A. — Exercise of Option by Buyer

~~An option may be exercised by the buyer only on the day that the option expires. To exercise the option, the clearing member representing the buyer shall present a notice to the Clearing House by 5:30 p.m. or by such other time designated by the Exchange, on such day.~~

~~An option that is in the money and has not been liquidated or exercised prior to the termination of trading shall, in the absence of contrary instruction delivered to the Clearing House by 5:30 p.m. on the Business Day following the Expiration Day by the clearing member representing the option buyer, be exercised automatically. An option is in the money if the final settlement price of the underlying futures contract lies above the exercise price in the case of a call, or lies below the exercise price in the case of a put.~~

~~Corrections to option exercises, including automatic exercises, may be accepted by the Clearing House after the 5:30 p.m. deadline and up to the beginning of final option expiration processing provided that such corrections are necessary due to: (1) a bona fide clerical error, (2) an unreconciled Exchange option transaction(s), or (3) an extraordinary circumstance where the clearing firm and customer are unable to communicate final option exercise instructions prior to the deadline. The decision as to whether a correction is acceptable will be made by the President of the Clearing House, or the President's designee, and such decision will be final.~~

52B02.B. — Assignment

Exercise notices accepted by the Clearing House shall be assigned through a process of random selection to clearing members with open short positions in the same series. A clearing member to which an Exercise notice is assigned shall be notified thereof as soon as practicable after such notice is assigned by the Clearing House, but not later than 45 minutes prior to the opening of trading in the underlying futures contract on the following Business Day.

The clearing member assigned an Exercise notice shall be assigned a long futures position in the underlying futures contract if a put was exercised or a short futures position if a call is exercised. The clearing member representing the option buyer shall be assigned a short futures position if a put is exercised or a long futures position if a call is exercised. The positions shall be equivalent to 0.50 times the value of the Class III Milk futures contract (i.e., 1,000 times the USDA Class III price for milk, expressed in dollars per hundredweight).

All such futures positions shall be assigned at a price equal to the exercise price of the option and shall be marked to market in accordance with Rule 814 on the Trading Day of acceptance by the Clearing House of the Exercise notice.

52B03. **[RESERVED]**

Chapter 54A

Options on Nonfat Dry Milk Futures

54A00. SCOPE OF CHAPTER

This chapter is limited in application to options on Nonfat Dry Milk futures. In addition to this chapter, options on Nonfat Dry Milk futures shall be subject to the general rules and regulations of the Exchange insofar as applicable.

For purposes of this chapter, unless otherwise specified, times referred to herein shall refer to and indicate Chicago time.

54A01. OPTIONS CHARACTERISTICS

54A01.A. Contract Months

Options contracts shall be listed for such contract months and final settlement in such months as may be determined by the Exchange.

54A01.B. Trading Unit

The trading unit shall be an option to buy, in the case of the call, or to sell, in the case of the put, one Nonfat Dry Milk futures contract as specified in Chapter 54.

54A01.C. Minimum Fluctuations

The price of an option shall be quoted in cents per pound. Minimum price fluctuations shall be in multiples of \$0.00025 per pound (also known as one tick). A trade may also occur at a price of \$0.000125 per pound (\$0.50, also known as one-half tick), whether or not it results in the liquidation of positions for both parties to the trade.

54A01.D. Trading Hours

The hours of trading for options on Nonfat Dry Milk futures contracts shall be determined by the Exchange. Options on Nonfat Dry Milk futures shall be opened and closed for all months and strike prices simultaneously.

54A01.E. Exercise and Exercise Prices

Transactions and exercise of options shall be conducted for option contracts as set forth in the [Strike Price Listing and Exercise Procedures Table](#).

~~The exercise prices shall be stated in terms of cents per pound. For all contract months, exercise prices shall be at intervals of 2 cents; e.g., 100 cents, 102 cents, etc. In addition, for the second nearest contract month, exercise prices shall be at intervals of 1 cent., as described below.~~

~~At the commencement of option trading in a contract month, the Exchange shall list put and call options in a range within 50 percent above and below the strike closest to the previous day's settlement price of the underlying futures contract (the at-the-money strike). If the previous day's settlement price is midway between two strikes, the at-the-money strike shall be the larger of the two.~~

~~When a contract month becomes the second nearest contract month, the Exchange shall add exercise prices at 1 cent intervals at a range within 25 percent above and below the strike closest to the previous day's settlement price of the underlying futures contract (the at-the-money strike). If the previous day's settlement price is midway between two strikes, the at-the-money strike shall be the larger of the two.~~

~~All strikes will be listed prior to the opening of trading on the following business day. As new strikes are added, existing strikes outside of the newly determined strike ranges without open interest may be de-listed. New strikes may be listed for trading up to and including the termination of trading.~~

~~The Exchange may modify the provisions governing the establishment of exercise prices as it deems appropriate. The Exchange may modify the procedure for the introduction of strike prices as it deems appropriate in order to respond to market conditions.~~

54A01.F 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.

54A01.G. [Reserved]

54A01.H. [Reserved]

54A01.I. Termination of Trading

Options trading shall terminate on the same date and time as the underlying futures contract.

54A01.J. [Reserved]

54A02. EXERCISE AND ASSIGNMENT

In addition to the applicable procedures and requirements of Chapter 7 the following shall apply to the ~~exercise-assignment~~ of Nonfat Dry Milk options.

~~54A02.A. — Exercise of Option by Buyer~~

~~The buyer of a Nonfat Dry Milk futures option may exercise the option on any Business Day prior to expiration by giving notice of exercise to the Clearing House by 5:30 p.m., or by such other time designated by the Exchange, on such day.~~

~~An option that is in the money and has not been liquidated or exercised prior to the termination of trading shall, in the absence of contrary instruction delivered to the Clearing House by 5:30 p.m. on the Business Day following the Expiration Day by the clearing member representing the option buyer, be exercised automatically. An option is in the money if the final settlement price of the underlying futures contract lies above the exercise price in the case of a call, or lies below the exercise price in the case of a put.~~

~~Corrections to option exercises, including automatic exercises, may be accepted by the Clearing House after the 5:30 p.m. deadline and up to the beginning of final option expiration processing provided that such corrections are necessary due to: (1) a bona fide clerical error, (2) an unreconciled Exchange option transaction(s), or (3) an extraordinary circumstance where the clearing firm and customer are unable to communicate final option exercise instructions prior to the deadline. The decision as to whether a correction is acceptable will be made by the President of the Clearing House, or the President's designee, and such decision will be final.~~

~~54A02.B. — Assignment~~

Exercise notices accepted by the Clearing House shall be assigned through a process of random selection to clearing members with open short positions in the same series. A clearing member to which an Exercise notice is assigned shall be notified thereof as soon as practicable after such notice is assigned by the Clearing House, but not later than 45 minutes prior to the opening of trading in the underlying futures contract on the following Business Day.

The clearing member assigned an Exercise notice shall be assigned a short position in the underlying futures contract if a call is exercised or a long position in the underlying futures contract if a put is exercised. The clearing member representing the option buyer shall be assigned a long position in the underlying futures contract if a call is exercised and a short position if a put is exercised.

All such futures positions shall be assigned at a price equal to the exercise price of the option and shall be marked to market in accordance with Rule 814 on the Trading Day of acceptance by the Clearing House of the Exercise notice.

54A03. [RESERVED]

Chapter 55A

Options on Class IV Milk Futures

55A00. SCOPE OF CHAPTER

This chapter is limited in application to options on Class IV Milk futures. In addition to this chapter, options on Class IV Milk futures shall be subject to the general rules and regulations of the Exchange insofar as applicable.

For purposes of this chapter, unless otherwise specified, times referred to herein shall refer to and indicate Chicago time.

55A01. OPTIONS CHARACTERISTICS

55A01.A. Contract Months

Options contracts shall be listed for such contract months and final settlement in such months as may be determined by the Exchange.

55A01.B. Trading Unit

The trading unit shall be an option to buy, in the case of the call, or to sell, in the case of the put, one Class IV Milk futures contract as specified in Chapter 55.

55A01.C. Minimum Fluctuations

The price of an option shall be quoted in cents per hundredweight (cwt.). Minimum price fluctuations shall be in multiples of \$0.01 per cwt. (also known as one tick). A trade may also occur at a price of \$0.005 per cwt. (\$10.00, also known as one-half tick), whether or not it results in the liquidation of positions for both parties to the trade.

55A01.D. Trading Hours

The hours of trading for options on Class IV Milk futures contracts shall be determined by the Exchange. Options on Class IV Milk futures shall be opened and closed for all months and strike prices simultaneously.

55A01.E. Exercise and Exercise Prices

Transactions and exercise of options shall be conducted for option contracts as set forth in the [Strike Price Listing and Exercise Procedures Table](#).

~~The exercise prices shall be stated in terms of dollars per cwt. For all contract months, exercise prices shall be at intervals of \$0.25; e.g., \$11.75, \$12.00, \$12.25, etc.~~

~~At the commencement of option trading in a contract month, the Exchange shall list put and call options in a range within 50 percent above and below the strike closest to the previous day's settlement price of the underlying futures contract (the at-the-money strike). If the previous day's settlement price is midway between two strikes, the at-the-money strike shall be the larger of the two.~~

~~All strikes will be listed prior to the opening of trading on the following business day. As new strikes are added, existing strikes outside of the newly determined strike ranges without open interest may be de-listed.~~

~~New strikes may be listed for trading up to and including the termination of trading.~~

~~The Exchange may modify the provisions governing the establishment of exercise prices as it deems appropriate. The Exchange may modify the procedure for the introduction of strike prices as it deems appropriate in order to respond to market conditions.~~

55A01.F. 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.

55A01.G. [Reserved]

55A01.H. [Reserved]

55A01.I. Termination of Trading

Options trading shall terminate on the same date and time as the underlying futures contract.

55A01.J. [Reserved]

55A02. EXERCISE AND ASSIGNMENT

In addition to the applicable procedures and requirements of Chapter 7, the following shall apply to the ~~exercise assignment~~ of Class IV Milk options.

~~55A02.A.— Exercise of Option by Buyer~~

~~The buyer of a Class IV Milk futures option may exercise the option on any Business Day prior to expiration by giving notice of exercise to the Clearing House by 5:30 p.m., or by such other time designated by the Exchange, on such day.~~

~~An option that is in-the-money and has not been liquidated or exercised prior to the termination of trading shall, in the absence of contrary instruction delivered to the Clearing House by 5:30 p.m. on the Business Day following the Expiration Day by the clearing member representing the option buyer, be exercised automatically. An option is in-the-money if the final settlement price of the underlying futures contract lies above the exercise price in the case of a call, or lies below the exercise price in the case of a put.~~

~~Corrections to option exercises, including automatic exercises, may be accepted by the Clearing House after the 5:30 p.m. Chicago Time deadline and up to the beginning of final option expiration processing provided that such corrections are necessary due to; (1) a bona fide clerical error, (2) an unreconciled Exchange option transaction(s), or (3) an extraordinary circumstance where the clearing firm and customer are unable to communicate final option exercise instructions prior to the deadline. The decision as to whether a correction is acceptable will be made by the President of the Clearing House, or the President's designee, and such decision will be final.~~

55A02.B.— Assignment

Exercise notices accepted by the Clearing House shall be assigned through a process of random selection to clearing members with open short positions in the same series. A clearing member to which an Exercise notice is assigned shall be notified thereof as soon as practicable after such notice is assigned by the Clearing House, but not later than 45 minutes prior to the opening of trading in the underlying futures contract on the following Business Day.

The clearing member assigned an Exercise notice shall be assigned a short position in the underlying futures contract if a call is exercised or a long position in the underlying futures contract if a put is exercised. The clearing member representing the option buyer shall be assigned a long position in the underlying futures contract if a call is exercised and a short position if a put is exercised.

All such futures positions shall be assigned at a price equal to the exercise price of the option and shall be marked to market in accordance with Rule 814 on the Trading Day of acceptance by the Clearing House of the Exercise notice.

55A03. [RESERVED]

55A04.-29. [RESERVED]

Chapter 56A

Options on Cash-Settled Butter Futures

56A00. SCOPE OF CHAPTER

This chapter is limited in application to options on Cash-Settled Butter futures. In addition to this chapter, options on Cash-Settled Butter futures shall be subject to the general rules and regulations of the Exchange insofar as applicable.

For purposes of this chapter, unless otherwise specified, times referred to herein shall refer to and indicate Chicago time.

56A01. OPTIONS CHARACTERISTICS

56A01.A. Contract Months

Options contracts shall be listed for such contract months and final settlement in such months as may be determined by the Exchange.

56A01.B. Trading Unit

The trading unit shall be an option to buy, in the case of the call, or to sell, in the case of the put, one Cash-Settled Butter futures contract as specified in Chapter 56.

56A01.C. Minimum Fluctuations

The price of an option shall be quoted in cents per pound. Minimum price fluctuations shall be in multiples of \$0.00025 per pound (also known as one tick). A trade may also occur at a price of \$0.000125 per pound (\$5.00, also known as one-half tick), whether or not it results in the liquidation of positions for both parties to the trade.

56A01.D. Trading Hours

The hours of trading for options on Cash-Settled Butter futures contracts shall be determined by the Exchange. Options on Cash-Settled Butter futures shall be opened and closed for all months and strike prices simultaneously.

56A01.E. Exercise and Exercise Prices

Transactions and exercise of options shall be conducted for option contracts as set forth in the [Strike Price Listing and Exercise Procedures Table](#).

~~The exercise prices shall be stated in terms of cents per pound. For all contract months, exercise prices shall be at intervals of 2 cents; e.g., 100 cents, 102 cents, etc.~~

~~At the commencement of option trading in a contract month, the Exchange shall list put and call options in a range within 50 percent above and below the strike closest to the previous day's settlement price of the underlying futures contract (the at-the-money strike). If the previous day's settlement price is midway between two strikes, the at-the-money strike shall be the larger of the two.~~

~~All strikes will be listed prior to the opening of trading on the following business day. As new strikes are added, existing strikes outside of the newly determined strike ranges without open interest may be de-listed.~~

~~New strikes may be listed for trading up to and including the termination of trading.~~

~~The Exchange may modify the provisions governing the establishment of exercise prices as it deems appropriate. The Exchange may modify the procedure for the introduction of strike prices as it deems appropriate in order to respond to market conditions.~~

56A01.F. 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.

6A01.G. [Reserved]

56A01.H. [Reserved]

56A01.I. Termination of Trading

Options trading shall terminate on the same date and time as the underlying futures contract.

56A01.J. [Reserved]

56A02. EXERCISE AND ASSIGNMENT

In addition to the applicable procedures and requirements of Chapter 7 the following shall apply to the exercise of Cash-Settled Butter options.

56A02.A. Exercise of Option

In addition to the applicable procedures and requirements of Chapter 7 the following shall apply to the exercise assignment of Cash-Settled Butter options.

~~56A02.A. — Exercise of Option~~

~~The buyer of a Cash-Settled Butter futures option may exercise the option on any Business Day prior to expiration by giving notice of exercise to the Clearing House by 5:30 p.m., or by such other time designated by the Exchange, on such day.~~

~~An option that is in-the-money and has not been liquidated or exercised prior to the termination of trading shall, in the absence of contrary instruction delivered to the Clearing House by 5:30 p.m. on the Business Day following the Expiration Day by the clearing member representing the option buyer, be exercised automatically. An option is in-the-money if the final settlement price of the underlying futures contract lies above the exercise price in the case of a call, or lies below the exercise price in the case of a put.~~

~~Corrections to option exercises, including automatic exercises, may be accepted by the Clearing House after the 5:30 p.m. deadline and up to the beginning of final option expiration processing provided that such corrections are necessary due to: (1) a bona fide clerical error, (2) an unreconciled Exchange option transaction(s), or (3) an extraordinary circumstance where the clearing firm and customer are unable to communicate final option exercise instructions prior to the deadline. The decision as to whether a correction is acceptable will be made by the President of the Clearing House, or the President's designee, and such decision will be final.~~

56A02.B. — Assignment

Exercise notices accepted by the Clearing House shall be assigned through a process of random selection to clearing members with open short positions in the same series. A clearing member to which an Exercise notice is assigned shall be notified thereof as soon as practicable after such notice is assigned by the Clearing House, but not later than 45 minutes prior to the opening of trading in the underlying futures contract on the following Business Day.

The clearing member assigned an Exercise Notice shall be assigned a short position in the underlying futures contract if a call is exercised or a long position if a put is exercised. The clearing member representing the option buyer shall be assigned a long position in the underlying futures contract if a call is exercised and a short position if a put is exercised.

All such futures positions shall be assigned at a price equal to the exercise price of the option and shall be marked to market in accordance with Rule 814 on the Trading Day following acceptance by the Clearing House of the Exercise notice.

56A03. [RESERVED]

56A04.-29. [RESERVED]

Chapter 57A

Options on Dry Whey Futures

57A00. SCOPE OF CHAPTER

This chapter is limited in application to options on Dry Whey futures. In addition to this chapter, options on Dry Whey futures shall be subject to the general rules and regulations of the Exchange insofar as applicable.

For purposes of this chapter, unless otherwise specified, times referred to herein shall refer to and indicate Chicago time.

57A01. OPTIONS CHARACTERISTICS

57A01.A. Contract Months

Options contracts shall be listed for such contract months and final settlement in such months as may be determined by Exchange.

57A01B. Trading Unit

The trading unit shall be an option to buy, in the case of the call, or to sell, in the case of the put, one Dry Whey futures contract as specified in Chapter 57.

57A01.C. Minimum Fluctuations

The price of an option shall be quoted in cents per pound. Minimum price fluctuations shall be in multiples of \$0.00025 per pound (also known as one tick). A trade may also occur at a price of \$0.000125 per pound (\$5.50, also known as one-half tick), whether or not it results in the liquidation of positions for both parties to the trade.

57A01.D. Trading Hours

The hours of trading for options on Dry Whey futures contracts shall be determined by the Exchange. Options on Dry Whey futures shall be opened and closed for all months and strike prices simultaneously.

57A01E. Exercise and Exercise Prices

Transactions and exercise of options shall be conducted for option contracts as set forth in the [Strike Price Listing and Exercise Procedures Table](#).

~~The exercise prices shall be stated in terms of cents per pound. For all contract months, exercise prices shall be at intervals of 1 cent; e.g., 20 cents, 21 cents, etc. In addition, for the two nearest contract months, some exercise prices shall be at intervals of .50 cent; e.g., 20.50 cents, 21.50 cents, as described below.~~

~~At the commencement of option trading in a contract month, the Exchange shall list put and call options in a range within 50 percent above and below the strike closest to the previous day's settlement price of the underlying futures contract (the at-the-money strike). If the previous day's settlement price is midway between two strikes, the at-the-money strike shall be the larger of the two.~~

~~When a contract month becomes the second nearest contract month, the Exchange shall add exercise prices at .50 cent intervals at a range within 25 percent above and below the strike closest to the previous day's settlement price of the underlying futures contract (the at-the-money strike). If the previous day's settlement price is midway between two strikes, the at-the-money strike shall be the larger of the two.~~

~~All strikes will be listed prior to the opening of trading on the following business day. As new strikes are added, existing strikes outside of the newly determined strike ranges without open interest may be de-listed. New strikes may be listed for trading up to and including the termination of trading.~~

~~The Exchange may modify the provisions governing the establishment of exercise prices as it deems appropriate. The Exchange may modify the procedure for the introduction of strike prices as it deems appropriate in order to respond to market conditions.~~

57A01.F. 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.

57A01.G. [Reserved]

57A01.H. Termination of Trading

Options trading shall terminate on the same date and time as the underlying futures contract.

57A01.I. [Reserved]

57A02. EXERCISE AND ASSIGNMENT

In addition to the applicable procedures and requirements of Chapter 7 the following shall apply to the ~~exercise~~assignment of Dry Whey options.

~~57A02.A. Exercise of Option~~

~~The buyer of a Dry Whey futures option may exercise the option on any Business Day prior to expiration by giving notice of exercise to the Clearing House by 5:30 p.m., or by such other time designated by the Exchange, on such day.~~

~~An option that is in the money and has not been liquidated or exercised prior to the termination of trading shall, in the absence of contrary instruction delivered to the Clearing House by 5:30 p.m. on the Business Day following the Expiration Day by the clearing member representing the option buyer, be exercised automatically. An option is in the money if the final settlement price of the underlying futures contract lies above the exercise price in the case of a call, or lies below the exercise price in the case of a put.~~

~~Corrections to option exercises, including automatic exercises, may be accepted by the Clearing House after the 5:30 p.m. deadline and up to the beginning of final option expiration processing provided that such corrections are necessary due to: (1) a bona fide clerical error, (2) an unreconciled Exchange option transaction(s), or (3) an extraordinary circumstance where the clearing firm and customer are unable to communicate final option exercise instructions prior to the deadline. The decision as to whether a correction is acceptable will be made by the President of the Clearing House, or the President's designee, and such decision will be final.~~

~~Assignment~~

Exercise notices accepted by the Clearing House shall be assigned through a process of random selection to clearing members with open short positions in the same series. A clearing member to which an Exercise notice is assigned shall be notified thereof as soon as practicable after such notice is assigned by the Clearing House, but not later than 45 minutes prior to the opening of trading in the underlying futures contract on the following Business Day.

The clearing member assigned an Exercise notice shall be assigned a short position in the underlying futures contract if a call is exercised or a long position if a put is exercised. The clearing member representing the option buyer shall be assigned a long position in the underlying futures contract if a call is exercised and a short position if a put is exercised.

All such futures positions shall be assigned at a price equal to the exercise price of the option and shall be marked to market in accordance with Rule 814 on the Trading Day following acceptance by the Clearing House of the Exercise notice.

57A03. [RESERVED]

Chapter 60A

Options on Cheese Futures

60A00. SCOPE OF CHAPTER

This chapter is limited in application to options on Cheese futures. In addition to this chapter, options on Cheese futures shall be subject to the general rules and regulations of the Exchange insofar as applicable.

For purposes of this chapter, unless otherwise specified, times referred to herein shall refer to and indicate Chicago time.

60A01. OPTIONS CHARACTERISTICS

60A01.A. Contract Months

Options contracts shall be listed for such contract months and final settlement in such months as may be determined by the Exchange.

60A01.B. Trading Unit

The trading unit shall be an option to buy, in the case of the call, or to sell, in the case of the put, one Cheese futures contract as specified in Chapter 60.

60A01.C. Minimum Fluctuations

The price of an option shall be quoted in cents per pound. Minimum price fluctuations shall be in multiples of \$0.0010 per pound (also known as one tick). A trade may also occur at a price of \$0.0005 per pound (\$10.00, also known as one-half tick), whether or not it results in the liquidation of positions for both parties to the trade.

60A01.D. Trading Hours

The hours of trading for options on Cheese futures contracts shall be determined by the Exchange. Options on Cheese futures shall be opened and closed for all months and strike prices simultaneously.

60A01.E. Exercise and Exercise Prices

Transactions and exercise of options shall be conducted for option contracts as set forth in the [Strike Price Listing and Exercise Procedures Table](#).

~~The exercise prices shall be stated in terms of cents per pound. For all contract months, exercise prices shall be at intervals of \$0.025 cents; e.g., \$0.025 cents, \$0.050 cents, etc.~~

~~At the commencement of option trading in a contract month, the Exchange shall list put and call options in a range within 50 percent above and below the strike closest to the previous day's settlement price of the underlying futures contract (the at-the-money strike). If the previous day's settlement price is midway between two strikes, the at-the-money strike shall be the larger of the two.~~

~~All strikes will be listed prior to the opening of trading on the following business day. As new strikes are added, existing strikes outside of the newly determined strike ranges without open interest may be de-listed.~~

~~New strikes may be listed for trading up to and including the termination of trading.~~

~~The Exchange may modify the provisions governing the establishment of exercise prices as it deems appropriate. The Exchange may modify the procedure for the introduction of strike prices as it deems appropriate in order to respond to market conditions.~~

60A01.F. 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.

60A01.G. [Reserved]

60A01.H. [Reserved]

60A01.I. Termination of Trading

Options trading shall terminate on the same date and time as the underlying futures contract.

60A01.J. [Reserved]

60A02. ~~EXERCISE AND ASSIGNMENT~~

In addition to the applicable procedures and requirements of Chapter 7 the following shall apply to the ~~exercise assignment~~ of Cheese options.

~~60A02.A. — Exercise of Option~~

~~The buyer of a Cheese futures option may exercise the option on any Business Day prior to expiration by giving notice of exercise to the Clearing House by 5:30 p.m., or by such other time designated by the Exchange, on such day.~~

~~An option that is in the money and has not been liquidated or exercised prior to the termination of trading shall, in the absence of contrary instruction delivered to the Clearing House by 5:30 p.m. on the Business Day following the Expiration Day by the clearing member representing the option buyer, be exercised automatically. An option is in the money if the final settlement price of the underlying futures contract lies above the exercise price in the case of a call, or lies below the exercise price in the case of a put.~~

~~Corrections to option exercises, including automatic exercises, may be accepted by the Clearing House after the 5:30 p.m. deadline and up to the beginning of final option expiration processing provided that such corrections are necessary due to: (1) a bona fide clerical error, (2) an unreconciled Exchange option transaction(s), or (3) an extraordinary circumstance where the clearing firm and customer are unable to communicate final option exercise instructions prior to the deadline. The decision as to whether a correction is acceptable will be made by the President of the Clearing House, or the President's designee, and such decision will be final.~~

60A02.B.—Assignment

Exercise notices accepted by the Clearing House shall be assigned through a process of random selection to clearing members with open short positions in the same series. A clearing member to which an Exercise notice is assigned shall be notified thereof as soon as practicable after such notice is assigned by the Clearing House, but not later than 45 minutes prior to the opening of trading in the underlying futures contract on the following Business Day.

The clearing member assigned an Exercise notice shall be assigned a short position in the underlying futures contract if a call is exercised or a long position in the underlying futures contract if a put is exercised.

The clearing member representing the option buyer shall be assigned a long position in the underlying futures contract if a call is exercised and a short position if a put is exercised.

All such futures positions shall be assigned at a price equal to the exercise price of the option and shall be marked to market in accordance with Rule 814 on the Trading Day of acceptance by the Clearing House of the Exercise notice.

60A03. [RESERVED]

Chapter 61A

Options on Block Cheese Futures

61A00. SCOPE OF CHAPTER

This chapter is limited in application to options on Block Cheese futures. In addition to this chapter, options on Block Cheese futures shall be subject to the general rules and regulations of the Exchange insofar as applicable. For purposes of this chapter, unless otherwise specified, times referred to herein shall refer to and indicate Chicago time.

61A01. OPTIONS CHARACTERISTICS

61A01.A. Contract Months

Options contracts shall be listed for such contract months and final settlement in such months as may be determined by the Exchange.

61A01.B. Trading Unit

The trading unit shall be an option to buy, in the case of the call, or to sell, in the case of the put, one Block Cheese futures contract as specified in Chapter 61.

61A01.C. Minimum Fluctuations

The price of an option shall be quoted in cents per pound. Minimum price fluctuations shall be in multiples of \$0.0010 per pound (also known as one tick). A trade may also occur at a price of \$0.0005 per pound (\$10.00, also known as one-half tick), whether or not it results in the liquidation of positions for both parties to the trade.

61A01.D. Trading Hours

The hours of trading for options on Block Cheese futures contracts shall be determined by the Exchange. Options on Block Cheese futures shall be opened and closed for all months and strike prices simultaneously.

61A01.E. Exercise and Exercise Prices

Transactions and exercise of options shall be conducted for option contracts as set forth in the [Strike Price Listing and Exercise Procedures Table](#).

~~The exercise prices shall be stated in terms of cents per pound. For all contract months, exercise prices shall be at intervals of \$0.025 cents; e.g., \$0.025 cents, \$0.050 cents, etc.~~

~~At the commencement of option trading in a contract month, the Exchange shall list put and call options in a range within 35 percent above and below the strike closest to the previous day's settlement price of the underlying futures contract (the at the money strike). If the previous day's settlement price is midway between two strikes, the at the money strike shall be the larger of the two.~~

~~All strikes will be listed prior to the opening of trading on the following business day. As new strikes are added, existing strikes outside of the newly determined strike ranges without open interest may be de-listed.~~

~~New strikes may be listed for trading up to and including the termination of trading.~~

~~The Exchange may modify the provisions governing the establishment of exercise prices as it deems appropriate. The Exchange may modify the procedure for the introduction of strike prices as it deems appropriate in order to respond to market conditions.~~

61A01.F. 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.

61A01.G. [Reserved]

61A01.H. [Reserved]

61A01.I. Termination of Trading

Options trading shall terminate on the same date and time as the underlying futures contract.

61A01.J. [Reserved]

61A02. ~~EXERCISE AND ASSIGNMENT~~

In addition to the applicable procedures and requirements of Chapter 7 the following shall apply to the exercise assignment of Block Cheese options.

~~61A02.A. — Exercise of Option~~

~~The buyer of a Block Cheese futures option may exercise the option on any Business Day prior to expiration by giving notice of exercise to the Clearing House by 5:30 p.m., or by such other time designated by the Exchange, on such day.~~

~~An option that is in-the-money and has not been liquidated or exercised prior to the termination of trading shall, in the absence of contrary instruction delivered to the Clearing House by 5:30 p.m. on the Business Day following the Expiration Day by the clearing member representing the option buyer, be exercised automatically. An option is in-the-money if the final settlement price of the underlying futures contract lies above the exercise price in the case of a call, or lies below the exercise price in the case of a put.~~

~~Corrections to option exercises, including automatic exercises, may be accepted by the Clearing House after the 5:30 p.m. deadline and up to the beginning of final option expiration processing provided that such corrections are necessary due to: (1) a bona fide clerical error, (2) an unreconciled Exchange option transaction(s), or (3) an extraordinary circumstance where the clearing firm and customer are unable to communicate final option exercise instructions prior to the deadline. The decision as to whether a correction is acceptable will be made by the President of the Clearing House, or the President's designee, and such decision will be final.~~

61A02.B.—Assignment

Exercise notices accepted by the Clearing House shall be assigned through a process of random selection to clearing members with open short positions in the same series. A clearing member to which an Exercise notice is assigned shall be notified thereof as soon as practicable after such notice is assigned by the Clearing House, but not later than 45 minutes prior to the opening of trading in the underlying futures contract on the following Business Day.

The clearing member assigned an Exercise notice shall be assigned a short position in the underlying futures contract if a call is exercised or a long position in the underlying futures contract if a put is exercised.

The clearing member representing the option buyer shall be assigned a long position in the underlying futures contract if a call is exercised and a short position if a put is exercised.

All such futures positions shall be assigned at a price equal to the exercise price of the option and shall be marked to market in accordance with Rule 814 on the Trading Day of acceptance by the Clearing House of the Exercise notice.

61A03. [RESERVED]

Chapter 101A

Options on Live Cattle Futures

101A00. SCOPE OF CHAPTER

This chapter is limited in application to options on Live Cattle futures. In addition to this chapter, options on Live Cattle futures shall be subject to the general rules and regulations of the Exchange insofar as applicable. For purposes of this chapter, unless otherwise specified, times referred to herein shall refer to and indicate Chicago time.

101A01. OPTIONS CHARACTERISTICS

101A01.A. Contract Months and Trading Hours

Options contracts shall be listed for such contract months and scheduled for trading during such hours as may be determined by the Exchange.

101A01.B. Trading Unit

The trading unit shall be an option to buy, in the case of the call, or to sell, in the case of the put, one Live Cattle futures contract as specified in Chapter 101.

101A01.C. Minimum Fluctuations

The price of an option shall be quoted in cents per pound. Minimum price fluctuations shall be in multiples of \$.00025 per pound (also known as one tick). A trade may occur at a price of \$.000125 per pound (\$.50, also known as one-half tick), whether or not it results in the liquidation of positions for both parties to the trade.

101A01.D. Underlying Futures Contract

1. Options in the February Bi-Monthly Cycle

For monthly options that expire in the February bi-monthly cycle (i.e., February, April, June, August, October and December), the underlying futures contract is the futures contract for the month in which the option expires. For example, the underlying futures contract for an option that expires in February is the February futures contract.

2. Options in the January Bi-Monthly Cycle

For monthly options that expire in months other than those in the February bi-monthly cycle (i.e., January, March, May, July, September, and November), the underlying futures contract is the next futures contract in the February bi-monthly cycle that is nearest to the expiration of the option. For example, the underlying futures contract for an option that expires in January is the February futures contract.

101A01.E. Exercise and Exercise Prices

Transactions and exercise of options shall be conducted for option contracts as set forth in the [Strike Price Listing and Exercise Procedures Table](#).

1. Options in the February Bi-Monthly Cycle

The exercise prices shall be stated in terms of cents per pound. For all contract months, exercise prices shall be at intervals of 2¢; e.g., 60¢, 62¢, 64¢, etc. In addition, for the first three contract months, some exercise prices shall also be at intervals of 1¢; e.g., 60¢, 61¢, 62¢, etc., as is described below.

At the commencement of option trading in a contract month, the Exchange shall list put and call options at intervals of 2¢ in a range within 50 percent above and below the strike closest to the previous day's settlement price of the underlying futures contract (the at-the-money strike). If the previous day's settlement price is midway between two strikes, the at-the-money strike shall be the larger of the two.

When a contract becomes the third nearest contract month in the February bi-monthly cycle, the Exchange shall add exercise prices at 1¢ intervals at a range within 25 percent above and below the strike closest to the previous day's settlement price of the underlying futures contract (the at-the-money strike). If the previous day's settlement price is midway between two strikes, the at-the-money strike shall be the larger of the two.

All strikes will be listed prior to the opening of trading on the following business day. As new strikes are added, existing strikes outside of the newly determined strike ranges without open interest may be de-listed.

New strikes may be listed for trading up to and including the termination of trading.

The Exchange may modify the procedure for the introduction of strike prices as it deems appropriate in order to respond to market conditions.

2. Options in the January Bi-Monthly Cycle

The Exchange may list put and call options at any exercise price listed for trading in the next February bi-monthly cycle futures options that is nearest the expiration of the option. New options may be listed for trading up to and including the termination of trading. The Exchange may modify the procedure for the introduction of strike prices as it deems appropriate in order to respond to market conditions.

New options may be listed for trading up to and including the termination of trading. The Exchange may modify the provisions governing the establishment of exercise prices as it deems appropriate. The Exchange may modify the procedure for the introduction of strike prices as it deems appropriate in order to respond to market conditions.

101A01.F. 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.

101A01.G. [Reserved]

101A01.H. [Reserved]

101A01.I. Termination of Trading

1. Options in the January or February Bi-Monthly Cycle

Options trading shall terminate on the first Friday of the contract month. If that Friday is not a Business Day, then trading shall terminate on the immediately preceding Business Day.

101A01.J. [Reserved]

101A02. EXERCISE AND ASSIGNMENT

In addition to the applicable procedures and requirements of Chapter 7, the following shall apply to the ~~exercise-assignment~~ of Live Cattle options.

~~101A02.A. — Exercise of Option by Buyer~~

~~An option may be exercised by the buyer on any Business Day that the option is traded. To exercise an option, the clearing member representing the buyer shall present an exercise notice to the Clearing House by 5:30 p.m. on the day of exercise.~~

~~An option that is in the money and has not been liquidated or exercised prior to the termination of trading shall, in the absence of contrary instructions delivered to the Clearing House by 5:30 p.m. on the day of expiration by the clearing member representing the option buyer, be exercised automatically. An option is in the money if the settlement price of the underlying futures contract at the termination of trading lies above the exercise price in the case of a call, or lies below the exercise price in the case of a put.~~

~~Corrections to option exercises may be accepted by the Clearing House after the 5:30 p.m. deadline and up to the beginning of final option expiration processing provided that such corrections are necessary due to: (1) a bona fide clerical error, (2) an unreconciled Exchange option transaction(s), or (3) an extraordinary circumstance where the clearing firm and customer are unable to communicate final option exercise instructions prior to the deadline. The decision whether a correction is acceptable will be made by the President of the Clearing House, or the President's designee, and such decision will be final.~~

~~101A02.B. — Assignment~~

Exercise Notices accepted by the Clearing House shall be assigned through a process of random selection to clearing members with open short positions in the same series. A clearing member to which an Exercise Notice is assigned shall be notified thereof as soon as practicable after such notice is assigned by the Clearing House, but not later than 45 minutes prior to the opening of trading in the underlying futures contract on the following Business Day.

The clearing member assigned an Exercise Notice shall be assigned a short position in the underlying futures contract if a call was exercised or a long position if a put was exercised. The clearing member representing the option buyer shall be assigned a long position in the underlying futures contract if a call was exercised and a short position if a put was exercised.

All such futures positions shall be assigned at a price equal to the exercise price of the option and shall be marked to market in accordance with Rule 814 on the Trading Day of acceptance by the Clearing House of the Exercise Notice.

101A03. [RESERVED]

101A04. [RESERVED]

Chapter 101B

Options on Live Cattle Futures Calendar Spreads

101B00. SCOPE OF CHAPTER

This chapter is limited in application to options on Live Cattle futures calendar spreads. In addition to this chapter, options on Live Cattle futures calendar spreads shall be subject to the general rules and regulations of the Exchange insofar as applicable.

For purposes of this chapter, unless otherwise specified, times referred to herein shall refer to and indicate Chicago time.

101B01. OPTIONS CHARACTERISTICS

101B01A. Contract Months and Trading Hours

Options contracts shall be listed for such contract months and scheduled for trading during such hours as may be determined by the Exchange.

101B01B. Trading Unit

The trading unit shall be an option to buy, in the case of the call, or to sell, in the case of the put, one Live Cattle futures calendar spread. A Live Cattle futures calendar spread consists of a combination of a purchase in one futures contract month and a sale in another futures contract month. A call calendar spread option is the equivalent of a long position in a nearer futures contract and a short position in a deferred futures contract. A put calendar spread option is the equivalent of a short position in a nearer futures contract and a long position in a deferred futures contract.

101B01C. Minimum Fluctuations

The price of an option shall be quoted in cents per pound. Minimum price fluctuations shall be in multiples of \$.00025 per pound (also known as one tick). A trade may also occur at a price of \$.000125 per pound (\$.50, also known as one-half tick), whether or not it results in the liquidation of positions for both parties to the trade.

101B01D. Underlying Futures Contracts

The underlying futures contracts are the futures contract for the month in which the option expires and the corresponding futures contract month in that combination. For example, the underlying futures contracts for a February-April calendar spread option are the February futures contract and the April futures contract.

101B01E. Exercise and Exercise Prices

Transactions and exercise of options shall be conducted for option contracts as set forth in the [Strike Price Listing and Exercise Procedures Table](#).

~~The exercise prices shall be based on the price difference obtained by subtracting the deferred futures contract price from the nearer futures contract price. The exercise prices shall be stated in terms of cents per pound. For all contract months, exercise prices shall be at intervals of .50 cent; e.g. .50, 1.00, 1.50. In addition, for options involving the first two underlying futures contract months, some exercise prices shall be at intervals of .25 cent, as described below.~~

~~At the commencement of option trading in a contract month, the Exchange shall list put and call options at .50 cent intervals in a range 6¢ above and below the difference between the previous day's settlement prices of the underlying futures contracts. When a sale or settlement price in the underlying futures contracts price differential occurs at, or passes through an exercise price, the Exchange shall list on the next Trading Day put and call option contracts at the next higher (or next lower) exercise price within a 6¢ range above (or below) the exercise price at which or through which the sale or settlement price in the underlying futures contracts price differential occurred.~~

~~When an underlying futures contract month becomes the second nearest contract month, the Exchange shall add exercise prices at .25 cent intervals in range 6¢ above and below the difference between the previous day's settlement prices of the underlying futures contracts. When a sale or settlement price in the underlying futures contracts price differential occurs at, or passes through an exercise price, the Exchange shall list on the next Trading Day put and call option contracts at the next higher (or next lower) exercise price within a 6¢ range above (or below) the exercise price at which or through which the sale or settlement price in the underlying futures contracts price differential occurred.~~

~~Now options may be listed for trading up to and including the termination of trading. The Exchange may modify the provisions governing the establishment of exercise prices as it deems appropriate.~~

~~The Exchange may modify the procedure for the introduction of strike prices as it deems appropriate in order to respond to market conditions.~~

101B01F. 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.

101B01G. [Reserved]

101B01H. [Reserved]

101B01I. Termination of Trading

Options trading shall terminate on the first Friday of the delivery month of the nearby futures contract. If that Friday is not a Business Day, then trading shall terminate on the immediately preceding Business Day.

101B01J. [Reserved]

101B02. EXERCISE AND ASSIGNMENT

In addition to the applicable procedures and requirements of Chapter 7, the following shall apply to the ~~exercise assignment~~ of Live Cattle options on calendar spreads.

~~101B02A. Exercise of Option by Buyer~~

~~An option may be exercised by the buyer only on the day that the option expires. To exercise an option, the clearing member representing the buyer shall present an exercise notice to the Clearing House by 5:30 p.m. on the day of exercise.~~

~~An option that is in the money and has not been liquidated or exercised prior to the termination of trading shall, in the absence of contrary instructions delivered to the Clearing House by 5:30 p.m. on the day of termination of trading by the clearing member representing the option buyer, be exercised automatically. An option is in the money if the settlement price of the underlying futures contract at the termination of trading lies above the exercise price in the case of a call, or lies below the exercise price in the case of a put.~~

~~Corrections to option exercises may be accepted by the Clearing House after the 5:30 p.m. deadline and up to the beginning of final option expiration processing provided that such corrections are necessary due to: (1) a bonafide clerical error, (2) an unreconciled Exchange option transaction (s), or (3) an extraordinary circumstance where the clearing firm and customer are unable to communicate final option exercise instructions prior to the deadline. The decision whether a correction is acceptable will be made by the President of the Clearing House, or the President's designee, and such decision will be final.~~

~~101B02B. Assignment~~

Exercise Notices accepted by the Clearing House shall be assigned through a process of random selection to clearing members with open short positions in the same series. A clearing member to which an Exercise Notice is assigned shall be notified thereof as soon as practicable after such notice is assigned by the Clearing House, but not later than 45 minutes prior to the opening of trading in the underlying futures contract on the following Business Day.

The clearing member assigned an Exercise Notice shall be assigned a short position in the underlying nearer futures contract and a long position in the underlying distant futures contract if a call was exercised or a long position in the underlying nearer contract and a short position in the underlying distant contract if a put was exercised. The clearing member representing the option buyer shall be assigned a long position in the underlying nearer futures contract and a short position in the underlying distant futures contract if a call was exercised and a short position in the underlying nearer contract and a long position in the underlying distant contract if a put was exercised.

All such futures positions shall be assigned at prices as follows: the nearby futures contract shall be assigned at the settlement price and the distant futures contract shall be assigned at a price equal to the settlement price of the nearby futures contract minus the exercise price of the option and shall be marked to market in accordance with Rule 814 on the Trading Day following acceptance by the Clearing House of the Exercise Notice.

101B03. [RESERVED]

Chapter 102A

Options on Feeder Cattle Futures

102A00. SCOPE OF CHAPTER

This chapter is limited in application to options on Feeder Cattle futures. In addition to this chapter, options on Feeder Cattle futures shall be subject to the general rules and regulations of the Exchange insofar as applicable.

For purposes of this chapter, unless otherwise specified, times referred to herein shall refer to and indicate Chicago time.

102A01. OPTIONS CHARACTERISTICS

102A01.A. Contract Months and Trading Hours

Options contracts shall be listed for such contract months and scheduled for trading during such hours as may be determined by the Exchange.

102A01.B. Trading Unit

The trading unit shall be an option to buy, in the case of the call, or to sell, in the case of the put, one Feeder Cattle futures contract as specified in Chapter 102.

102A01.C. Minimum Fluctuations

The price of an option shall be quoted in cents per pound. Minimum price fluctuations shall be in multiples of \$.00025 per pound (also known as one tick). A trade may also occur at a price of \$.000125 per pound (\$.25, also known as one-half tick), whether or not it results in the liquidation of positions for both parties to the trade.

102A01.D. [Reserved]

102A01.E. Exercise and Exercise Prices

Transactions and exercise of options shall be conducted for option contracts as set forth in the [Strike Price Listing and Exercise Procedures Table](#).

~~The exercise prices shall be stated in terms of cents per pound. For all contract months, exercise prices shall be at intervals of 2¢; e.g., 60¢, 62¢, 64¢, etc. In addition, for the first three contract months, some exercise prices shall be at intervals of 1¢; e.g., 61¢, 62¢, 63¢, etc., as described below. For the expiring contract month, some exercise prices shall also be at intervals of .50¢; e.g., 60.50¢, 61.50¢, 62.50¢, etc., as described below.~~

~~At the commencement of option trading in a contract month, the Exchange shall list put and call options at 2¢ intervals in a range within 50 percent above and below the strike closest to the previous day's settlement price of the underlying futures contract (the at-the-money strike). If the previous day's settlement price is midway between two strikes, the at-the-money strike shall be the larger of the two.~~

~~When a contract month becomes the third nearest contract month, the Exchange shall add exercise prices at 1¢ intervals at a range within 25 percent above and below the strike closest to the previous day's settlement price of the underlying futures contract (the at-the-money strike). If the previous day's settlement price is midway between two strikes, the at-the-money strike shall be the larger of the two. When a contract month becomes the nearest month to expiration, the Exchange shall add exercise prices for the expiring contract at .50¢ intervals at a range within 5 percent above and below the strike closest to the previous day's settlement price (the at-the-money strike). If the previous day's settlement price is midway between two strikes, the at-the-money strike shall be the larger of the two.~~

~~All strikes will be listed prior to the opening of trading on the following business day. As new strikes are added, existing strikes outside of the newly determined strike ranges without open interest may be de-listed.~~

~~New strikes may be listed for trading up to and including the termination of trading.~~

~~The Exchange may modify the provisions governing the establishment of exercise prices as it deems appropriate. The Exchange may modify the procedure for the introduction of strike prices as it deems appropriate in order to respond to market conditions.~~

102A01.F. 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.

102A01.G. [Reserved]

102A01.H. [Reserved]

102A01.I. Termination of Trading

Options trading shall terminate on the same date and time as the underlying futures contract.

102A01.J. [Reserved]

102A02. EXERCISE AND ASSIGNMENT

In addition to the applicable procedures and requirements of Chapter 7, the following shall apply to the ~~exercise-assignment~~ of Feeder Cattle options.

~~102A02.A. — Exercise of Option by Buyer~~

~~An option may be exercised by the buyer on any Business Day the option is traded. Exercise of an option is accomplished by the clearing member representing the buyer presenting an Exercise Notice to the Clearing House by 5:30 p.m. on the day of exercise.~~

~~An option that is in the money and has not been liquidated or exercised prior to the termination of trading shall, in the absence of contrary instruction delivered to the Clearing House by 5:30 p.m. on the Business Day following the Expiration Day by the clearing member representing the option buyer, be exercised automatically.~~

~~An option is in the money if the final settlement price of the underlying futures contract lies above the exercise price in the case of a call, or lies below the exercise price in the case of a put.~~

~~Corrections to option exercises may be accepted by the Clearing House after the 5:30 p.m. deadline and up to the beginning of final option expiration processing provided that such corrections are necessary due to: (1) a bona fide clerical error, (2) an unreconciled Exchange option transaction(s), or (3) an extraordinary circumstance where the clearing firm and customer are unable to communicate final option exercise instructions prior to the deadline. The decision whether a correction is acceptable will be made by the President of the Clearing House, or the President's designee, and such decision will be final.~~

~~102A02.B. — Assignment~~

Exercise Notices accepted by the Clearing House shall be assigned through a process of random selection to clearing members with open short positions in the same areas. A clearing member to which an Exercise Notice is assigned shall be notified thereof as soon as practicable after such notice is assigned by the Clearing House, but not later than 45 minutes prior to the opening of trading in the underlying futures contract on the following Business Day.

The clearing member assigned an Exercise Notice shall be assigned a short position in the underlying futures contract if a call was exercised or a long position if a put was exercised. The clearing member representing the option buyer shall be assigned a long position in the underlying futures contract if a call was exercised and a short position if a put was exercised.

All such futures positions shall be assigned at a price equal to the exercise price of the option and shall be marked to market in accordance with Rule 814 on the Trading Day of acceptance by the Clearing House of the Exercise Notice.

102A03. [RESERVED]

102A04-29. [RESERVED]

Chapter 152A

Options on Lean Hog Futures

152A00. SCOPE OF CHAPTER

This chapter is limited in application to options on Lean Hog futures. In addition to this chapter, options on Lean Hog futures shall be subject to the general rules and regulations of the Exchange insofar as applicable. For purposes of this chapter, unless otherwise specified, times referred to herein shall refer to and indicate Chicago time.

152A01. OPTIONS CHARACTERISTICS

152A01.A. Contract Months and Trading Hours

Options contracts shall be listed for such contract months and scheduled for trading during such hours as may be determined by the Exchange.

152A01.B. Trading Unit

The trading unit shall be an option to buy, in the case of the call, or to sell, in the case of the put, one Lean Hog futures contract as specified in Chapter 152.

152A01.C. Minimum Fluctuations

The price of an option shall be quoted in cents per pound. Minimum price fluctuations shall be in multiples of \$.00025 per pound (also known as one tick). A trade may also occur at a price of \$.000125 per pound (\$.50, also known as one-half tick), whether or not it results in the liquidation of positions for both parties to the trade.

152A01.D. Underlying Futures Contract

For regular-cycle options, the underlying futures contract is the futures contract for the month in which the option expires. For example, the underlying futures contract for an option that expires in February is the February futures contract.

152A01.E. Exercise and Exercise Prices

Transactions and exercise of options shall be conducted for option contracts as set forth in the [Strike Price Listing and Exercise Procedures Table](#).

~~The exercise prices shall be stated in terms of cents per pound. For all contract months, exercise prices shall be at intervals of 2¢; e.g., 60¢, 62¢, 64¢, etc. In addition, for the first three contract months, some exercise prices shall also be at intervals of 1¢; e.g., 60¢, 61¢, 62¢, etc., as is described below.~~

~~At the commencement of option trading in a contract month, the Exchange shall list put and call options in a range within 50 percent above and below the strike closest to the previous day's settlement price of the underlying futures contract (the at-the-money strike). If the previous day's settlement price is midway between two strikes, the at-the-money strike shall be the larger of the two.~~

~~When a contract becomes the third nearest contract month, the Exchange shall add exercise prices at 1¢ intervals at a range within 25 percent above and below the strike closest to the previous day's settlement price of the underlying futures contract (the at-the-money strike). If the previous day's settlement price is midway between two strikes, the at-the-money strike shall be the larger of the two.~~

~~All strikes will be listed prior to the opening of trading on the following business day. As new strikes are added, existing strikes outside of the newly determined strike ranges without open interest may be de-listed. New strikes may be listed for trading up to and including the termination of trading.~~

~~The Exchange may modify the procedure for the introduction of strike prices as it deems appropriate in order to respond to market conditions.~~

152A01.F. 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.

152A01.G. [Reserved]

152A01.H. [Reserved]

152A01.I. Termination of Trading

Options trading shall terminate on the same date and time as the underlying futures contract.

152A01.J. [Reserved]

152A02. ~~EXERCISE AND ASSIGNMENT~~

In addition to the applicable procedures and requirements of Chapter 7, the following shall apply to the ~~exercise assignment~~ of Lean Hogs options.

~~152A02.A. — Exercise of Option by Buyer~~

~~An option may be exercised by the buyer on any Business Day that the option is traded. To exercise an option, the clearing member representing the buyer shall present an exercise notice to the Clearing House by 5:30 p.m. on the day of exercise.~~

~~An option that is in the money and has not been liquidated or exercised prior to the termination of trading shall, in the absence of contrary instructions delivered to the Clearing House by 5:30 p.m. on the second Business Day following the Expiration Day by the clearing member representing the option buyer, be exercised automatically. An option is in the money if the final settlement price of the underlying futures contract lies above the exercise price in the case of a call, or lies below the exercise price in the case of a put.~~

~~Corrections to option exercises may be accepted by the Clearing House after the 5:30 p.m. deadline and up to the beginning of final option expiration processing provided that such corrections are necessary due to: (1) a bona fide clerical error, (2) an unreconciled Exchange option transaction(s), or (3) an extraordinary circumstance where the clearing firm and customer are unable to communicate final option exercise instructions prior to the deadline. The decision whether a correction is acceptable will be made by the President of the Clearing House, or the President's designee, and such decision will be final.~~

~~152A02.B. — Assignment~~

Exercise Notices accepted by the Clearing House shall be assigned through a process of random selection to clearing members with open short positions in the same series. A clearing member to which an Exercise Notice is assigned shall be notified thereof as soon as practicable after such notice is assigned by the Clearing House, but not later than 45 minutes prior to the opening of trading in the underlying futures contract on the following Business Day.

The clearing member assigned an Exercise Notice shall be assigned a short position in the underlying futures contract if a call was exercised or a long position if a put was exercised. The clearing member representing the option buyer shall be assigned along position in the underlying futures contract if a call was exercised and a short position if a put was exercised.

All such futures positions shall be assigned at a price equal to the exercise price of the option and shall be marked to market in accordance with Rule 814 on the Trading Day of acceptance by the Clearing House of the Exercise Notice.

152A03. [RESERVED]

152A04.-29.[RESERVED]

Chapter 156A

Options on Pork Cutout Futures

156A00. SCOPE OF CHAPTER

This chapter is limited in application to options on Pork Cutout futures. In addition to this chapter, options on Pork Cutout futures shall be subject to the general rules and regulations of the Exchange insofar as applicable.

For purposes of this chapter, unless otherwise specified, times referred to herein shall refer to and indicate Chicago time.

156A01. OPTIONS CHARACTERISTICS

156A01.A. Contract Months and Trading Hours

Options contracts shall be listed for such contract months and scheduled for trading during such hours as may be determined by the Exchange.

156A01.B. Trading Unit

The trading unit shall be an option to buy, in the case of the call, or to sell, in the case of the put, one Pork Cutout futures contract as specified in Chapter 156.

156A01.C. Minimum Fluctuations

The price of an option shall be quoted in cents per pound. Minimum price fluctuations shall be in multiples of \$.00025 per pound (also known as one tick). A trade may also occur at a price of \$.000125 per pound (\$.50, also known as one-half tick), whether or not it results in the liquidation of positions for both parties to the trade.

156A01.D. Underlying Futures Contract

For regular-cycle options, the underlying futures contract is the futures contract for the month in which the option expires. For example, the underlying futures contract for an option that expires in February is the February futures contract.

156A01.E. Exercise and Exercise Prices

Transactions and exercise of options shall be conducted for option contracts as set forth in the [Strike Price Listing and Exercise Procedures Table](#).

~~The exercise prices shall be stated in terms of cents per pound. For all contract months, exercise prices shall be at intervals of 2¢; e.g., 60¢, 62¢, 64¢, etc. In addition, for the first three contract months, some exercise prices shall also be at intervals of 1¢; e.g., 60¢, 61¢, 62¢, etc., as is described below.~~

~~At the commencement of option trading in a contract month, the Exchange shall list put and call options in a range within 50 percent above and below the strike closest to the previous day's settlement price of the underlying futures contract (the at-the-money strike). If the previous day's settlement price is midway between two strikes, the at-the-money strike shall be the larger of the two.~~

~~When a contract becomes the third nearest contract month, the Exchange shall add exercise prices at 1¢ intervals at a range within 25 percent above and below the strike closest to the previous day's settlement price of the underlying futures contract (the at-the-money strike). If the previous day's settlement price is midway between two strikes, the at-the-money strike shall be the larger of the two.~~

~~All strikes will be listed prior to the opening of trading on the following business day. As new strikes are added, existing strikes outside of the newly determined strike ranges without open interest may be de-listed. New strikes may be listed for trading up to and including the termination of trading.~~

~~The Exchange may modify the procedure for the introduction of strike prices as it deems appropriate in order to respond to market conditions.~~

156A01.F. 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.

156A01.G. [Reserved]

156A01.H. [Reserved]

156A01.I. Termination of Trading

Options trading shall terminate on the same date and time as the underlying futures contract.

156A01.J. [Reserved]

156A02. ~~EXERCISE AND ASSIGNMENT~~

In addition to the applicable procedures and requirements of Chapter 7, the following shall apply to the ~~exercise assignment~~ of Pork Cutout options.

~~156A02.A. — Exercise of Option by Buyer~~

~~An option may be exercised by the buyer on any Business Day that the option is traded. To exercise an option, the clearing member representing the buyer shall present an exercise notice to the Clearing House by 5:30 p.m. on the day of exercise.~~

~~An option that is in the money and has not been liquidated or exercised prior to the termination of trading shall, in the absence of contrary instructions delivered to the Clearing House by 5:30 p.m. on the second Business Day following the Expiration Day by the clearing member representing the option buyer, be exercised automatically. An option is in the money if the final settlement price of the underlying futures contract lies above the exercise price in the case of a call, or lies below the exercise price in the case of a put.~~

~~Corrections to option exercises may be accepted by the Clearing House after the 5:30 p.m. deadline and up to the beginning of final option expiration processing provided that such corrections are necessary due to: (1) a bona fide clerical error, (2) an unreconciled Exchange option transaction(s), or (3) an extraordinary circumstance where the clearing firm and customer are unable to communicate final option exercise instructions prior to the deadline. The decision whether a correction is acceptable will be made by the President of the Clearing House, or the President's designee, and such decision will be final.~~

~~156A02.B. — Assignment~~

Exercise Notices accepted by the Clearing House shall be assigned through a process of random selection to clearing members with open short positions in the same series. A clearing member to which an Exercise Notice is assigned shall be notified thereof as soon as practicable after such notice is assigned by the Clearing House, but not later than 45 minutes prior to the opening of trading in the underlying futures contract on the following Business Day.

The clearing member assigned an Exercise Notice shall be assigned a short position in the underlying futures contract if a call was exercised or a long position if a put was exercised. The clearing member representing the option buyer shall be assigned along position in the underlying futures contract if a call was exercised and a short position if a put was exercised.

All such futures positions shall be assigned at a price equal to the exercise price of the option and shall be marked to market in accordance with Rule 814 on the Trading Day of acceptance by the Clearing House of the Exercise Notice.

156A03. [RESERVED]

156A04.-29.[RESERVED]

Chapter 201A

Options on Random Length Lumber Futures

201A00. SCOPE OF CHAPTER

This chapter is limited in application to options on Random Length Lumber futures. In addition to this chapter, options on Random Length Lumber futures shall be subject to the general rules and regulations of the Exchange insofar as applicable.

For purposes of this chapter, unless otherwise specified, times referred to herein shall refer to and indicate Chicago time.

201A01. OPTIONS CHARACTERISTICS

201A01.A. Contract Months and Trading Hours

Options contracts shall be listed for such contract months and scheduled for trading during such hours as may be determined by the Exchange.

201A01.B. Trading Unit

The trading unit shall be an option to buy, in the case of the call, or to sell, in the case of the put, one Random Length Lumber futures contract as specified in Chapter 201.

201A01.C. Minimum Fluctuations

The price of an option shall be quoted in dollars per thousand board feet. Minimum price fluctuations shall be in multiples of \$.10 per thousand board feet (also known as one tick). A trade may also occur at a price of \$.05 per thousand board feet (\$.50, also known as one-half tick), whether or not it results in the liquidation of positions for both parties to the trade.

201A01.D. Underlying Futures Contract

1. Options in the Regular Cycle

For regular-cycle options, the underlying futures contract is the corresponding futures contract. For example, the underlying futures contract for the January option contract is the January futures contract.

2. Options Not in the Regular Cycle

For options that expire in months other than those in the regular cycle, the underlying futures contract is the next futures contract in the regular cycle that is nearest to the expiration of the option. For example, the underlying futures contract for the February option contract is the March futures contract.

201A01.E. Exercise and Exercise Prices

~~Transactions and exercise of options shall be conducted for option contracts as set forth in the [Strike Price Listing and Exercise Procedures Table](#).~~

~~The exercise prices shall be stated in terms of dollars per thousand board feet at intervals of \$5, e.g., \$170, \$175, \$180, \$185, \$190, etc.~~

~~At the commencement of option trading in a contract month, the Exchange shall list put and call options in a range within 50 percent above and below the strike closest to the previous day's settlement price of the underlying futures contract (the at-the-money strike). If the previous day's settlement price is midway between two strikes, the at-the-money strike shall be the larger of the two.~~

~~All strikes will be listed prior to the opening of trading on the following business day. As new strikes are added, existing strikes outside of the newly determined strike ranges without open interest may be de-listed.~~

~~New strikes may be listed for trading up to and including the termination of trading.~~

The Exchange may modify the procedure for the introduction of strike prices as it deems appropriate in order to respond to market conditions.

201A01.F. 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.

201A01.G. [Reserved]

201A01.H. [Reserved]

201A01.I. Termination of Trading

1. Options in the Regular Cycle

Options trading shall terminate on the last scheduled Business Day of the month prior to the delivery month

of the underlying futures contract. In the event that the underlying futures market does not open on the scheduled Expiration Day, the option expiration shall be extended to the next day on which the underlying futures market is open for trading.

2. Options Not in the Regular Cycle

Options trading shall terminate on the last scheduled Business Day of the month prior to the option contract month. In the event that the underlying futures market does not open on the scheduled Expiration Day, the option expiration shall be extended to the next day on which the underlying futures market is open for trading.

201A01.J. [Reserved]

201A02. EXERCISE ASSIGNMENT

In addition to the applicable procedures and requirements of Chapter 7, the following shall apply to the ~~exercise assignment~~ of Random Length Lumber options.

201A02.A. Exercise of Option by Buyer

~~An option may be exercised by the buyer on any Business Day the option is traded. To exercise an option, the clearing member representing the buyer shall present an exercise notice to the Clearing House by 5:30 p.m. on the day of exercise.~~

~~An option that is in the money and has not been liquidated or exercised prior to the termination of trading shall, in the absence of contrary instructions delivered to the Clearing House by 5:30 p.m. on the day of expiration by the clearing member representing the option buyer, be exercised automatically.~~

~~An option is in the money if the settlement price of the underlying futures contract at the termination of trading lies above the exercise price in the case of a call, or lies below the exercise price in the case of a put.~~

~~Corrections to option exercises may be accepted by the Clearing House after the 5:30 p.m. deadline and up to the beginning of final option expiration processing provided that such corrections are necessary due to: (1) a bona fide clerical error, (2) an unreconciled Exchange option transaction(s), or (3) an extraordinary circumstance where the clearing firm and customer are unable to communicate final option exercise instructions prior to the deadline. The decision whether a correction is acceptable will be made by the President of the Clearing House, or the President's designee, and such decision will be final.~~

201A02.B. Assignment

Exercise Notices accepted by the Clearing House shall be assigned through a process of random selection to clearing members with open short positions in the same series. A clearing member to which an Exercise Notice is assigned shall be notified thereof as soon as practicable after such notice is assigned by the Clearing House, but not later than 45 minutes prior to the opening of trading in the underlying futures contract on the following Business Day.

The clearing member assigned an Exercise Notice shall be assigned a short position in the underlying futures contract if a call was exercised or a long position if a put was exercised. The clearing member representing the option buyer shall be assigned a long position in the underlying futures contract if a call was exercised and a short position if a put was exercised.

All such futures positions shall be assigned at a price equal to the exercise price of the option and shall be marked to market in accordance with Rule 814 on the Trading Day of acceptance by the Clearing House of the Exercise Notice.

201A03. [RESERVED]

201A04-09. [RESERVED]

Chapter 204D

USD Malaysian Crude Palm Oil Average Price Option

204D00. SCOPE OF CHAPTER

This chapter is limited in application to USD Malaysian Crude Palm Oil Average Price Option. In addition to this chapter, the contract shall be subject to the general rules and regulations of the Exchange insofar as applicable.

[For purposes of this chapter, unless otherwise specified, times referred to herein shall refer to and indicate Chicago time.](#)

204D01. OPTIONS CHARACTERISTICS

204D01.A. Trading Unit

The unit of trade shall be 25 metric tons.

204D01.B. Hours

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

204D01.C. Minimum Price Increments

Minimum price fluctuations shall be in multiples of USD \$0.10 per metric ton which shall equal USD \$2.50 per contract. Contracts shall not be made on any other price basis.

204D01.D. Price Limits

Malaysian Palm Oil Average Price Option is not subject to any price limits.

204D01.E. Trading Schedule

The number of months in which trading may occur shall be at the discretion of the Exchange.

204D01.F. Exercise Style

The contract is cash settled European-style option. The option cannot be exercised prior to expiration.

204D01.G. Exercise Prices

[Transactions and exercise of options shall be conducted for option contracts as set forth in the Strike Price Listing and Exercise Procedures Table.](#)

~~The exercise prices shall be stated in terms of dollars and cents per metric ton. For all contract months, exercise prices shall be at intervals of \$10.~~

~~At the commencement of option trading in a contract month, the Exchange shall list a strike closest to the previous day's average settlement price of the underlying futures contract (the at-the-money strike), and ten strikes in integral multiples of \$10 above and below the at-the-money strike. If the previous day's average settlement price of the underlying futures is midway between two strikes, the at-the-money strike shall be the larger of the two. Over time, new strikes will be added to ensure that ten strikes above and below the previous day's average settlement price in the underlying futures contract are listed every day.~~

~~The Exchange may modify the provisions governing the establishment of strike prices as it deems appropriate. The Exchange may modify the procedure for the introduction of strike prices as it deems appropriate in order to respond to market conditions.~~

204D01.H. 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.

204D01.I. Last Trading Day

The last trading day is the same as the final settlement day (as described in Rule 204D05.).

204D01.J. Liquidation during the Delivery Month

After trade in the contract in the current delivery month has ceased, in accordance with Rule 204D01.I., outstanding contracts for such delivery shall be liquidated by cash settlement as prescribed in Rule 204D02.

204D02. CASH SETTLEMENT

Final settlement under these rules shall be on the final settlement day (as described in Rule 204D05.) and shall be accomplished by cash settlement. Clearing members holding open positions in the contract at the time of termination of trade shall make payment to and receive payment through the Clearing House in accordance with normal settlement procedures based on a settlement price against the underlying average price (as described in Rule 204D03.).

204D03. FINAL SETTLEMENT PRICE

The final settlement price shall be determined on the final settlement day. The final settlement price shall be determined against the cumulative average of the settlement prices for the third forward month FCPO contract traded on the Bursa Malaysia for each trading day in the contract month converted to USD and rounded to the nearest \$0.25.

For example, final settlement for a January month of the contract would be determined against the cumulative average of the daily settlement prices for the third forward FCPO contract during the month of January, which in this example will comprise half of the March contract and half of the April contract, with the month roll determined by Bursa Malaysia listing and expiration cycle. These daily settlement prices are converted to USD and rounded to the nearest \$0.25.

Settlement prices shall be generated each CME business day using the most recent available Bursa Malaysia prices. However, any settlement prices generated on CME business days that is not also a Bursa Malaysia business day will not be counted toward final settlement. Additionally, there will be no daily settlement prices generated on non-CME business days that are Bursa Malaysia business day, but the Bursa Malaysia settlement prices generated on such days will count toward final settlement during the last month of trade.

204D04. FINAL SETTLEMENT DAY

The final settlement day for the contract shall be the last business day of the contract month. However, should there be a Bursa Malaysia business day during the contract month that follows the last CME business day of the contract month, then final settlement will be on the first CME business day of the month following the contract month.

204D05. DAILY SETTLEMENT PRICE

Daily settlement prices shall be determined by the Exchange based on broker quotes.

204D06. DISPUTES

All disputes between interested parties may be settled by arbitration as provided in the Rules.

204D07. DISCLAIMER

CHICAGO MERCANTILE EXCHANGE INC. ["CME"] HAS BEEN AUTHORIZED BY BURSA MALAYSIA DERIVATIVES BERHAD TO USE BURSA MALAYSIA CRUDE PALM OIL FUTURES CONTRACT SETTLEMENT PRICES ("FCPO SETTLEMENT PRICES") AS THE BASIS FOR SETTLING THE CONTRACT TRADED ON CME AND TO REFER TO THE FCPO SETTLEMENT PRICES IN CONNECTION WITH CREATING, MARKETING, LISTING, TRADING, CLEARING AND SETTLING THE CONTRACT. THE CONTRACT IS NOT IN ANY WAY SPONSORED, ENDORSED, SOLD OR PROMOTED BY BURSA MALAYSIA DERIVATIVES BERHAD AND BURSA MALAYSIA DERIVATIVES BERHAD HAS NO OBLIGATIONS OR LIABILITY IN CONNECTION WITH THE CREATION, MARKETING, TRADING, CLEARING, SETTLEMENT AND/OR PROMOTION OF ANY SUCH CONTRACTS. FCPO SETTLEMENT PRICES ARE CALCULATED, COMPILED AND PUBLISHED SOLELY BY BURSA MALAYSIA DERIVATIVES BERHAD. HOWEVER, BURSA MALAYSIA DERIVATIVES BERHAD MAKES NO REPRESENTATIONS AND DISCLAIMS ALL EXPRESS, IMPLIED AND STATUTORY WARRANTIES OF ANY KIND, INCLUDING, BUT NOT LIMITED TO, REPRESENTATIONS AND WARRANTIES AS TO ACCURACY, TIMELINESS, COMPLETENESS, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE. TO THE EXTENT PERMITTED BY APPLICABLE LAW, BURSA MALAYSIA DERIVATIVES BERHAD SHALL NOT BE LIABLE (WHETHER IN CONTRACT, NEGLIGENCE OR OTHERWISE) TO ANY PERSON FOR ANY ERROR IN THE FCPO SETTLEMENT PRICES, AND BURSA MALAYSIA DERIVATIVES BERHAD SHALL NOT BE UNDER ANY OBLIGATION TO ADVISE ANY PERSON OF ANY ERROR THEREIN. BURSA MALAYSIA DERIVATIVES BERHAD SHALL UNDER NO CIRCUMSTANCES BE LIABLE FOR ANY TYPE OF DAMAGES (INCLUDING BUT NOT LIMITED TO, DIRECT, INDIRECT, SPECIAL, CONSEQUENTIAL, INCIDENTAL, OR PUNITIVE DAMAGES WHATSOEVER OR ANY LOST PROFITS OR LOST OPPORTUNITY), EVEN IF BURSA MALAYSIA DERIVATIVES BERHAD HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

Chapter 10A

Options on Corn Futures

10A00. SCOPE OF CHAPTER

This chapter is limited in application to put and call options on Corn futures contracts. In addition to the rules of this chapter, transactions in options on Corn futures shall be subject to the general rules of the Exchange insofar as applicable.

[For purposes of this chapter, unless otherwise specified, times referred to herein shall refer to and indicate Chicago time.](#)

10A01. OPTIONS CHARACTERISTICS

10A01.A. Contract Months

Trading may be conducted in the nearby Corn futures options contract month and any succeeding months, provided however, that the Exchange may determine not to list a contract month. For options that are traded in contract months in which Corn futures are not traded, the underlying futures contract is the next futures contract that is nearest to the expiration of the option. For example, the underlying futures contract for the February option contract is the March futures contract. For short dated options on new crop futures, the underlying futures contract is the December futures contract that is nearest to the expiration of the option.

10A01.B. Trading Unit

One 5,000 bushel Corn futures contract of a specified contract month.

10A01.C. Minimum Fluctuations

The premium for Corn futures options shall be in multiples of one-eighth (1/8) of one cent per bushel of a 5,000 bushel Corn futures contract which shall equal \$6.25 per contract.

However, a position may be initiated or liquidated in Corn futures options at a premium ranging from \$1.00 to \$6.00 in \$1.00 increments per option contract.

10A01.D. Trading Hours

The hours of trading for options on Corn futures contracts shall be determined by the Exchange. Corn futures options shall be opened and closed for all months and strike prices simultaneously.

10A01.E. Exercise and Exercise Prices⁴

[Transactions and exercise of options shall be conducted for option contracts as set forth in the Strike Price Listing and Exercise Procedures Table.](#)

~~Trading shall be conducted for put and call options with striking prices in integral multiples of five (5) cents and ten (10) cents per bushel per Corn futures contract as follows:~~

~~1.~~

~~a. At the commencement of trading for each option contract, the Exchange shall list a strike closest to the previous day's settlement price of the underlying Corn futures contract (the at-the-money strike), and strikes in integral multiples of ten cents in a range of 50 percent above and below the at-the-money strike. If the previous day's settlement price is midway between two strikes, the at-the-money strike shall be the larger of the two.~~

~~b. Over time, new ten cent strikes will be added to ensure that all strikes within 50 percent of the previous day's settlement price in the underlying futures contract are listed.~~

~~2.~~

~~a. At the commencement of trading for weekly options, and for options that are traded in months in which Corn futures are not traded, for short dated options on new crop futures, and for standard option months the business day they become the third listed month, the Exchange shall list a strike closest to the previous day's settlement price of the underlying Corn futures contract (the at-the-money strike), and strikes in integral multiples of five cents in a range of 25 percent above and below the at-the-money strike. If the previous day's settlement price is midway between two strikes, the at-the-money strike shall be the larger of the two. For example, five-cent strike price intervals for the September contract would be added on the first business day after the expiration of the June options contract.~~

~~b. Over time, new five-cent strike prices will be added to ensure that all strikes within 25 percent of the previous day's settlement price in the underlying futures are listed.~~

~~3. All strikes will be listed prior to the opening of trading on the following business day. Upon demand and at the discretion of the Exchange, new out-of-current-range strike prices at regularly defined intervals~~

⁴ Revised April 2008, August 2008, December 2010.

~~may be added for trading on as soon as possible basis. The Exchange may modify the procedures for the introduction of strikes as it deems appropriate in order to respond to market conditions. As new 5 and 10 cent strikes are added, existing strikes outside the newly determined strike ranges without open interest may be de-listed.~~

10A01.F. 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.

10A01.G. Reserved

10A01.H. Nature of Options on Corn Futures

The buyer of one Corn futures put option may exercise his option at any time prior to expiration (subject to Regulation 10A02.A.) to assume a short position of one Corn futures contract in a specified contract month at a striking price set at the time the option was purchased. The seller of one Corn futures put option incurs the obligation to assume a long position of one Corn futures contract in a specified contract month at a striking price set at the time the option was sold, upon exercise by a put option buyer.

The buyer of one Corn futures call option may exercise his option at any time prior to expiration (subject to Rule 10A02.A.) to assume a long position of one Corn futures contract in a specified contract month at a striking price set at the time the option was purchased. The seller of one Corn futures call option incurs the obligation to assume a short position of one Corn futures contract in a specified contract month at a striking price set at the time the option was sold, upon exercise by a call option buyer.

10A01.I. Termination of Trading

10A01.I.1. Standard and Serial Options

The last day of trading in any standard or serial option for expiry in a given month shall be the last Friday which precedes by at least two business days the last business day of the calendar month preceding such option's named expiry month. If such Friday is not a business day, then the last day of trading in such option shall be the business day prior to such Friday.

On their last day of trading, expiring standard or serial options shall cease trading at the close of the electronic trading session for the corresponding Corn futures contract, subject to the provisions of Rule 10A01.D.

10A01.I.2. Weekly Options

Any weekly option shall be designated to expire on a given Friday, provided however that no weekly option shall be designated to expire on any Friday that is also the last day of trading in a standard or serial option (Rule 10A01.I.1.). Trading in any weekly option shall terminate on the Friday on which such option is designated to expire. If such Friday is not a business day, then trading in weekly options designated for expiration on such Friday shall terminate on the business day prior to such Friday.

On their last day of trading, expiring weekly options shall cease trading at the close of the electronic trading session for the corresponding Corn futures contract, subject to the provisions of Rule 10A01.D.

10A01.I.3. Short Dated Options on New Crop Futures

The last day of trading in any short dated option on new crop futures for expiry in a given month shall be the last Friday which precedes by at least two business days the last business day of the calendar month preceding such option's named expiry month. If such Friday is not a business day, then the last day of trading in such option shall be the business day prior to such Friday.

On their last day of trading, short dated options on new crop futures shall cease trading at the close of the electronic trading session for the corresponding Corn futures contract, subject to the provisions of Rule 10A01.D.

10A01.I.4. Trading in Underlying Futures

In the event that the underlying futures market does not open on a day scheduled for option expiration, such option expiration shall occur on the next day on which the underlying futures market opens for trading.

10A01.J. Contract Modification

Specifications shall be fixed as of the first day of trading of a contract except that all options must conform to government regulations in force at the time of exercise. If the U.S. government, an agency, or duly constituted body thereof issues an order, ruling, directive, or law inconsistent with these rules, such order, ruling, directive, or law shall be construed to become part of the rules and all open and new options contracts shall be subject to such government orders.

10A02. EXERCISE AND ASSIGNMENT

In addition to the applicable procedures and requirements of Chapter 7, the following shall apply to the ~~exercise and~~ assignment of Corn futures options.

~~10A02.A. Exercise of Option~~

~~The buyer of a Corn futures option may exercise the option on any business day prior to expiration by giving notice of exercise to the Clearing House by 5:30 p.m., or by such other time designated by the Exchange, on such day.~~

~~After the close on the last day of trading, all in-the-money options shall be automatically exercised unless notice to cancel automatic exercise is given to the Clearing House. Notice to cancel automatic exercise shall be given to the Clearing House by 5:30 p.m., or by such other time designated by the Exchange, on the last day of trading.~~

~~Unexercised Corn futures options shall expire at 5:30 p.m. on the last day of trading.~~

~~10A02.B. Assignment~~

Exercise notices accepted by the Clearing House shall be assigned through a process of random selection to clearing members' open short positions in the same series. A clearing member to which an exercise notice is assigned shall be notified of the assignment as soon as practicable after such notice is assigned by the Clearing House.

The clearing member assigned an exercise notice shall be assigned a short position in the underlying futures contract if a call is exercised or a long position in the underlying futures contract if a put is exercised. The clearing member representing the option buyer shall be assigned a long position in the underlying futures contract if a call is exercised or a short position in the underlying futures contract if a put is exercised. All such futures positions shall be assigned at a price equal to the exercise price of the option and shall be marked to market in accordance with Rule 814 on the trading day of acceptance by the Clearing House of the exercise notice.

10A03. [RESERVED]

10A04. CORRECTIONS TO OPTIONS EXERCISES

Corrections to option exercises, including automatic exercises, may be accepted by the Clearing House after the 5:30 p.m. deadline and up to the beginning of final option expiration processing provided that such corrections are necessary due to: (1) a bona fide clerical error, (2) an unreconciled Exchange option transaction(s), or (3) an extraordinary circumstance where the clearing firm and customer are unable to communicate final option exercise instructions prior to the deadline. The decision as to whether a correction is acceptable will be made by the President of the Clearing House, or the President's designee, and such decision will be final.

10A05. OPTION PREMIUM LIMITS

There are no option premium limits during any day for options on Corn futures.

10A06. PAYMENT OF OPTION PREMIUM

The option premium must be paid in full by each clearing member to the Clearing House and by each option customer to his futures commission merchant at the time that the option is purchased, or within a reasonable time after the option is purchased.

Chapter 10E

Options on Black Sea Corn Financially Settled (Platts) Futures

10E100. SCOPE OF CHAPTER

This chapter is limited in application to put and call options on Black Sea Corn Financially Settled (Platts) futures contracts. In addition to the rules of this chapter, transactions in options on Black Sea Corn Financially Settled (Platts) futures shall be subject to the general rules of Exchange insofar as applicable.

[For purposes of this chapter, unless otherwise specified, times referred to herein shall refer to and indicate Chicago time.](#)

10E101. OPTION CHARACTERISTICS

10E101.A. Contract Months

Trading may be scheduled in such months as determined by the Exchange and the number of months open for trading at a given time shall also be determined by the Exchange.

10E101.B. Trading Unit

Each option reflects one fifty (50) metric tons Black Sea Corn Financially Settled (Platts) futures contract with the same contract month.

10E101.C. Minimum Fluctuations

Prices shall be quoted in U.S. dollars and cents per metric ton. The minimum price fluctuation shall be \$0.05 per metric ton or \$2.50 per contract.

However, a position may be initiated or liquidated at a premium of \$1.00 per option contract.

10E101.D. Trading Hours

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

10E101.E. Exercise and Exercise Prices

[Transactions and exercise of options shall be conducted for option contracts as set forth in the Strike Price Listing and Exercise Procedures Table.](#)

~~Trading shall be conducted for call and put options with strike prices in integral multiples of \$2.50 per metric ton. New strike prices at regularly defined intervals shall be added for trading on an as-needed basis.~~

10E101.F. 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.

10E101.G. Nature of Option

~~Options on Black Sea Corn Financially Settled (Platts) futures contracts are American-Style expiry options and may be exercised by the buyer on any Exchange Business Day. An Option that is in the money and has not been exercised or liquidated prior to the expiration day shall be exercised automatically.~~

A call option on the Black Sea Corn Financially Settled (Platts) futures contract represents an option for a buyer to assume a long position in the underlying Black Sea Corn Financially Settled (Platts) futures at the strike price.

A put option on the Black Sea Corn Financially Settled (Platts) futures contract represents an option for a buyer to assume a short position in the underlying Black Sea Corn Financially Settled (Platts) futures at the strike price.

10E101.H. Termination of Trading

Trading terminates on the last trading day of the corresponding Futures contract.

10E102. CASH SETTLEMENT

For a Call option on Black Sea Corn Financially Settled (Platts) futures contract that is not exercised ahead of the expiration day, the settlement on expiration day is the differential between the underlying futures Final Settlement Price and the strike price multiplied by 50 metric tons, or zero whichever is greater on the day on which the option is exercised.

Where a Call Option is in the money and is exercised ahead of the expiration day, the options will expire into the Black Sea Corn Financially Settled (Platts) futures contract.

For a Put option on Black Sea Corn Financially Settled (Platts) futures contract that is not exercised ahead of the expiration day, the settlement on expiration day is the differential between the strike price and the underlying futures Final Settlement Price multiplied by 50 metric tons, or zero whichever is greater on the day on which the option is exercised.

Where a Put Option is in the money and is exercised ahead of the expiration day, the options will expire into the Black Sea Corn Financially Settled (Platts) futures contract.

10E103. OPTION PREMIUM FLUCTUATION LIMITS

There are no option premium limits during any day for options on Black Sea Corn Financially Settled (Platts) futures contracts.

10E104. PAYMENT OF OPTION PREMIUM

The option premium must be paid in full by each clearing member to the Clearing House and by each option customer to his futures commission merchant at the time that the option is purchased, or within a reasonable time after the option is purchased.

10E105. DISCLAIMER

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Chapter 10J

Corn Calendar Spread Options

10J00. SCOPE OF CHAPTER

This chapter is limited in application to put and call options on Corn Futures Calendar Spreads. In addition to the rules of this chapter, transactions in Corn Calendar Spread Options shall be subject to the general rules of the Exchange insofar as applicable.

[For purposes of this chapter, unless otherwise specified, times referred to herein shall refer to and indicate Chicago time.](#)

10J01. OPTIONS CHARACTERISTICS

10J01.A. Contract Months

Trading in Corn Calendar Spread options may be scheduled in such months as determined by the Exchange.

10J01.B. Trading Unit

One Corn Calendar Spread Option reflects one (1) Corn futures contract of a specified nearby contract month, and one opposing Corn futures contract of a specified deferred contract month on the Board of Trade of the City of Chicago, Inc.

The Corn Calendar Spread is calculated in cents/bushel as:

Nearby Corn futures price in cents/bushel – Deferred Corn futures price in cents/bushel.

10J01.C. Minimum Fluctuations

The premium for Corn Calendar Spread options shall be in multiples of one eighth (1/8) of one cent per bushel, or six dollars and twenty five cents (\$6.25) per contract.

However, a position may be initiated or liquidated in Corn Calendar Spread options at premiums ranging from \$1.00 to \$6.00, in \$1.00 increments per option contract.

10J01.D. Trading Hours

The hours for trading of Corn Calendar Spread options contracts shall be determined by the Exchange. Corn Calendar Spread options shall be opened and closed for all months and strike prices simultaneously.

10J01.E. Exercise and Exercise Prices

Transactions and exercise of options shall be conducted for option contracts as set forth in the [Strike Price Listing and Exercise Procedures Table](#).

~~Trading shall be conducted for put and call options on futures calendar spreads consisting of the nearby futures month and the next available futures month with strike prices in integral multiples of one cent per bushel per Corn Calendar Spread option contract. Trading shall be conducted for put and call options on futures calendar spreads consisting of the nearby futures month and a futures month beyond the next available futures month with strike prices in integral multiples of five cents per bushel per Corn Calendar Spread option contract. At the commencement of trading for such option contracts, the following strike prices shall be listed: one with a strike price closest to the previous day's Corn Calendar Spread price settlement; the next ten consecutive higher and the next ten consecutive lower strike prices closest to the previous day's Corn Calendar Spread price settlement. If the previous day's settlement price is midway between two strike prices, the closest price shall be the larger of the two. When a sale in the underlying Corn Calendar Spread occurs at a price greater than or equal to the tenth largest strike price, a new strike price one increment higher than the existing strike prices will be added. When a sale in the underlying Corn Calendar Spread occurs at a price less than or equal to the tenth smallest strike price, a new strike price one increment lower than the existing strike prices will be added. When a new strike price is added for an option contract month, the same strike price will be added to all option contract months for which that strike price is not already listed. All new strike prices will be added prior to the opening of trading on the following business day.~~

~~All strikes will be listed prior to the opening of trading on the following business day. Upon demand and at the discretion of the Exchange, new out-of-current-range strike prices at regularly defined intervals may be added for trading on as soon as possible basis. The Exchange may modify the procedures for the introduction of strikes as it deems appropriate in order to respond to market conditions.~~

~~The Exchange may modify the procedure for the introduction of strike prices as it deems appropriate in order to respond to market conditions.~~

10J01.F. 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.

10J01.G. Reserved

10J01.H. Nature of Options on the Calendar Spreads

The buyer of one Corn Calendar Spread put option may exercise his option only upon option expiration, (subject to Rule 10J02.A), to assume a short position of one futures contract of a nearby specified contract month, and a long position in one futures contract of a deferred specified contract month, at a strike price set at the time the option was purchased.

The seller of one Corn Calendar Spread put option incurs the obligation of assuming a long position of one futures contract of a nearby specified contract month, and a short position of one futures contract of a deferred specified contract month at a combination of prices such that the Calendar Spread equals the strike price set at the time the option was sold, upon exercise by a put option buyer.

The buyer of one Corn Calendar Spread call option may exercise his option only upon option expiration, (subject to Rule 10J02.A), to assume a long position of one futures contract of a nearby specified contract month, and a short position of one futures contract of a deferred specified contract month at a strike price set at the time the option was purchased.

The seller of one Corn Calendar Spread call option incurs the obligation of assuming a short position of one futures contract of a nearby specified contract month and a long position of one futures contract of a deferred specified contract month at a combination of prices such that the Calendar Spread equals the strike price set at the time the option was sold, upon exercise by a call option buyer.

10J01.I. Termination of Trading

Subject to the provisions of rule 10J01.D no trades in Corn Calendar Spread options expiring in the current month shall be made after the close of trading of the electronic trading session on the day identical to the expiration of options corresponding to Corn Futures. Therefore, expiration will occur on the last Friday which precedes by at least two business days, the last business day of the month preceding that earliest expiring corresponding option month. If such Friday is not a business day, the last day of trading shall be the business day prior to such Friday. For example, the March-May Corn Calendar Spread Option (March Corn minus May Corn) will expire on the last Friday which precedes by at least two business days the last business day of February; the September-December Corn Calendar

Spread Option (September Corn minus December Corn) will expire on the last Friday which precedes by at least two business days the last business day of August.

10J01.J. Contract Modification

Specifications shall be fixed as of the first day of trading of a contract except that all options must conform to government regulations in force at the time of exercise. If the U.S. government, an agency, or duly constituted body thereof issues an order, ruling, directive, or law inconsistent with these rules, such order, ruling, directive, or law shall be construed to become part of the rules and all open and new options contracts shall be subject to such government orders.

10J02. EXERCISE AND ASSIGNMENT

In addition to the applicable procedures and requirements of Chapter 7, the following shall apply to the exercise and assignment of Corn Calendar Spread Options.

~~10J02.A. — Exercise of Option~~

~~The buyer of a Corn Calendar Spread option may exercise the option only on the business day such option expires by giving notice of exercise to the Clearing House by 5:30 p.m. Chicago time, or by such other time designated by the Exchange, on such day. In the money options that have not been liquidated or exercised on the last day of trading in such option shall be automatically exercised in the absence of contrary instructions delivered to the Clearing House by 5:30 p.m. Chicago time, or by such other time designated by the Exchange, on the last day of trading by the clearing member representing the option buyer.~~

The Corn Calendar Spread is calculated using final settlement values for the underlying contracts in the following formula: (Settlement Price of specified nearby Corn futures) – (Settlement Price of specified deferred Corn futures). An option is in-the-money if the settlement price of the underlying Calendar Spread is greater in the case of a call, or less in the case of a put, than the exercise price of the option.

~~10J02.B. — Assignment~~

Exercise notices accepted by the Clearing House shall be assigned through a process of random selection to clearing members' open short positions in the same series. A clearing member to which an exercise notice is assigned shall be notified of the assignment as soon as practicable after such notice is assigned by the Clearing House.

Upon the exercise of a Corn Calendar Spread option the Clearing House assigns prices to the legs of the Corn Calendar Spread in the following manner:

- a. assigned nearby Corn Futures price equals the Corn Futures settlement price on the day of exercise,
- b. assigned deferred Corn Futures price equals the nearby Corn Futures settlement price on the day of exercise minus the strike value of the option,

All such futures positions shall be marked to market in accordance with Rule 814 on the trading day of

acceptance by the Clearing House of the exercise notice.

10J03. [RESERVED]

10J04. CORRECTIONS TO OPTIONS EXERCISES

Corrections to option exercises, including automatic exercises, may be accepted by the Clearing House after the 5:30 p.m. deadline and up to the beginning of final option expiration processing provided that such corrections are necessary due to: (1) a bona fide clerical error, (2) an un-reconciled Exchange option transaction(s), or (3) an extraordinary circumstance where the clearing firm and customer are unable to communicate final option exercise instructions prior to the deadline. The decision as to whether a correction is acceptable will be made by the President of the Clearing House, or the President's designee, and such decision will be final.

10J05. OPTION PREMIUM FLUCTUATION LIMITS

There are no option premium limits during any day for Corn Calendar Spread options.

10J06. PAYMENT OF OPTION PREMIUM

The option premium must be paid in full by each clearing member to the Clearing House and by each option customer to his futures commission merchant at the time that the option is purchased, or within a reasonable time after the option is purchased.

Chapter 10N Wheat–Corn Intercommodity Spread Options

10N00. SCOPE OF CHAPTER

This chapter is limited in application to put and call options on Wheat–Corn Futures Intercommodity Spreads. In addition to the rules of this chapter, transactions in Wheat–Corn Intercommodity Spread Options shall be subject to the general rules of the Exchange insofar as applicable.

[For purposes of this chapter, unless otherwise specified, times referred to herein shall refer to and indicate Chicago time.](#)

10N01. OPTIONS CHARACTERISTICS

10N01.A. Contract Months

Trading in Wheat–Corn Intercommodity Spread options may be scheduled in such months as determined by the Exchange.

10N01.B. Trading Unit

One Wheat–Corn Intercommodity Spread Option reflects one (1) Wheat futures contract of a specified contract month, and one (1) opposing Corn futures contract of a specified contract month on the Board of Trade of the City of Chicago, Inc.

The Wheat–Corn Intercommodity Spread is calculated in cents/bushel as:

Wheat futures price in cents/bu – Corn futures price in cents/bu.

10N01.C. Minimum Fluctuations

The premium for Wheat–Corn Intercommodity Spread options shall be in multiples of one-eighth (1/8) of one cent per bushel, or six dollars and twenty five cents (\$6.250) per contract.

However, a position may be initiated or liquidated in Wheat–Corn Intercommodity Spread options at premiums ranging from \$1.00 to \$6.00, in \$1.00 increments per option contract.

10N01.D. Trading Hours

The hours for trading of Wheat–Corn Intercommodity Spread options contracts shall be determined by the Exchange. Wheat–Corn Intercommodity Spread options shall be opened and closed for all months and strike prices simultaneously.

10N01.E. Exercise and Exercise Prices

Transactions and exercise of options shall be conducted for option contracts as set forth in the [Strike Price Listing and Exercise Procedures Table](#).

~~Trading shall be conducted for put and call options with strike prices in integral multiples of five cents per bushel per Wheat–Corn Intercommodity Spread contract. At the commencement of trading for such option contracts, the following strike prices shall be listed: one with a strike price closest to the previous day's Wheat–Corn Intercommodity Spread price settlement; the next ten consecutive higher and the next ten consecutive lower strike prices closest to the previous day's Wheat–Corn Intercommodity Spread price settlement. If the previous day's settlement price is midway between two strike prices, the closest price shall be the larger of the two. When a trade in the underlying Wheat–Corn Intercommodity Spread occurs at a price greater than or equal to the tenth largest strike price, a new strike price one increment higher than the existing strike prices will be added. When a sale in the underlying Wheat–Corn Intercommodity Spread occurs at a price less than or equal to the tenth smallest strike price, a new strike price one increment lower than the existing strike prices will be added. When a new strike price is added for an option contract month, the same strike price will be added to all option contract months for which that strike price is not already listed.~~

~~All strikes will be listed prior to the opening of trading on the following business day. Upon demand and at the discretion of the Exchange, new out-of-current range strike prices at regularly defined intervals may be added for trading on as soon as possible basis.~~

~~The Exchange may modify the procedures for the introduction of strikes as it deems appropriate in order to respond to market conditions.~~

10N01.F. 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.

10N01.G. Reserved

10N01.H. Nature of Options on the Intercommodity Spreads

The buyer of one Wheat–Corn Intercommodity Spread put option may exercise his option only upon option expiration, (subject to Rule 10N02.A), to assume a short position of one Wheat futures contract of a specified contract month, and a long position in one Corn futures contract of a specified contract month, at a strike price set at the time the option was purchased.

The seller of one Wheat–Corn Intercommodity Spread put option incurs the obligation of assuming a long position of one Wheat futures contract of a specified contract month, and a short position of one Corn futures contract of a specified contract month at a combination of prices such that the Intercommodity Spread equals the strike price set at the time the option was sold, upon exercise by a put option buyer.

The buyer of one Wheat–Corn Intercommodity Spread call option may exercise his option only upon option expiration, (subject to Rule 10N02.A), to assume a long position of one Wheat futures contract of a specified contract month, and a short position of one Corn futures contract of a specified contract month at a strike price set at the time the option was purchased.

The seller of one Wheat–Corn Intercommodity Spread call option incurs the obligation of assuming a short position of one Wheat futures contract of a specified contract month and a long position of one Corn futures contract of a specified contract month at a combination of prices such that the Intercommodity Spread equals the strike price set at the time the option was sold, upon exercise by a call option buyer.

10N01.I. Termination of Trading

Subject to the provisions of rule 10N01.D no trades in Wheat–Corn Intercommodity Spread options expiring in the current month shall be made after the close of trading of the electronic trading session on the day identical to the expiration of standard Wheat and Corn options. Therefore, expiration will occur on the last Friday which precedes by at least two business days, the last business day of the month preceding the option month. If such Friday is not a business day, the last day of trading shall be the business day prior to such Friday. For example, the July Wheat–Corn Intercommodity Spread Option (July Wheat minus July Corn) will expire on the last Friday which precedes by at least two business days the last business day of June; the December–December Wheat–Corn Intercommodity Spread Option (December Wheat minus December Corn) will expire on the last Friday which precedes by at least two business days the last business day of November.

10N01.J. Contract Modification

Specifications shall be fixed as of the first day of trading of a contract except that all options must conform to government regulations in force at the time of exercise. If the U.S. government, an agency, or duly constituted body thereof issues an order, ruling, directive, or law inconsistent with these rules, such order, ruling, directive, or law shall be construed to become part of the rules and all open and new options contracts shall be subject to such government orders.

10N02. EXERCISE AND ASSIGNMENT

In addition to the applicable procedures and requirements of Chapter 7, the following shall apply to the ~~exercise and~~ assignment of Wheat–Corn Intercommodity Spread Options.

~~10N02.A. Exercise of Option~~

~~The buyer of a Wheat–Corn Intercommodity Spread option may exercise the option only on the business day such option expires by giving notice of exercise to the Clearing House by 5:30 p.m. Chicago time, or by such other time designated by the Exchange, on such day. In the money options that have not been liquidated or exercised on the last day of trading in such option shall be automatically exercised in the absence of contrary instructions delivered to the Clearing House by 5:30 p.m. Chicago time, or by such other time designated by the Exchange, on the last day of trading by the clearing member representing the option buyer.~~

The Wheat–Corn Intercommodity Spread is calculated using final settlement values for the underlying contracts in the following formula: (Settlement Price of specified Wheat futures) – (Settlement Price of specified Corn futures). An option is in-the-money if the settlement price of the underlying Intercommodity Spread is less in the case of a put, or greater in the case of a call, than the exercise price of the option.

~~10N02.B. Assignment~~

Exercise notices accepted by the Clearing House shall be assigned through a process of random selection to clearing members' open short positions in the same series. A clearing member to which an exercise notice is assigned shall be notified of the assignment as soon as practicable after such notice is assigned by the Clearing House.

Upon the exercise of a Wheat–Corn Intercommodity Spread option the Clearing House assigns prices to the legs of the Wheat–Corn Intercommodity Spread in the following manner:

- a. assigned Wheat Futures price equals the Wheat Futures settlement price on the day of exercise,
- b. assigned Corn Futures price equals the Wheat Futures settlement price on the day of exercise minus the strike value of the option,

All such futures positions shall be marked to market in accordance with Rule 814 on the trading day of acceptance by the Clearing House of the exercise notice.

10N03. [RESERVED]

10N04. CORRECTIONS TO OPTIONS EXERCISES

Corrections to option exercises, including automatic exercises, may be accepted by the Clearing House after the 5:30 p.m. deadline and up to the beginning of final option expiration processing provided that such corrections are necessary due to: (1) a bona fide clerical error, (2) an un-reconciled Exchange option transaction(s), or (3) an extraordinary circumstance where the clearing firm and customer are unable to communicate final option exercise instructions prior to the deadline. The decision as to whether a correction is acceptable will be made by the President of the Clearing House, or the President's designee, and such decision will be final.

10N05. OPTION PREMIUM FLUCTUATION LIMITS

There are no option premium limits during any day for Wheat-Corn Intercommodity Spread options.

10N06. PAYMENT OF OPTION PREMIUM

The option premium must be paid in full by each clearing member to the Clearing House and by each option customer to his futures commission merchant at the time that the option is purchased, or within a reasonable time after the option.

Chapter 11A Options on Soybean Futures

11A00. SCOPE OF CHAPTER

This chapter is limited in application to put and call options on Soybean futures contracts. In addition to the rules of this chapter, transactions in options on Soybean futures shall be subject to the general rules of the Exchange insofar as applicable.

For purposes of this chapter, unless otherwise specified, times referred to herein shall refer to and indicate Chicago time.

11A01. OPTIONS CHARACTERISTICS

11A01.A. Contract Months

Trading may be conducted in the nearby Soybean futures options contract month and any succeeding months, provided however, that the Exchange may determine not to list a contract month. For options that are traded in months in which Soybean futures are not traded, the underlying futures contract is the next futures contract that is nearest to the expiration of the option. For example, the underlying futures contract for the February option contract is the March futures contract. For Short Dated Options on New Crop futures, the underlying futures contract is the November futures contract that is nearest to the expiration of the option.

11A01.B. Trading Unit

One 5,000 bushel Soybean futures contract of a specified contract month.

11A01.C. Minimum Fluctuations

The premium for Soybean futures options shall be in multiples of one-eighth (1/8) of one cent per bushel of a 5,000 bushel Soybean futures contract which shall equal \$6.25 per contract.

However, a position may be initiated or liquidated in Soybean futures options at a premium ranging from \$1.00 to \$6.00, in \$1.00 increments per option contract.

11A01.D. Trading Hours

The hours of trading for options on Soybean futures contracts shall be determined by the Exchange. Soybean futures options shall be opened and closed for all months and strike prices simultaneously.

11A01.E. Exercise and Exercise Prices²

Transactions and exercise of options shall be conducted for option contracts as set forth in the [Strike Price Listing and Exercise Procedures Table](#).

Trading shall be conducted for put and call options with striking prices in integral multiples of ten (10) cents and twenty (20) cents per bushel per Soybean futures contract as follows:

1-

a. At the commencement of trading for each option contract, the Exchange shall list a strike closest to the previous day's settlement price of the underlying Soybean futures contract (the at the money strike), and strikes in integral multiples of twenty cents in a range of 50 percent above and below the at the money strike. If the previous day's settlement price is midway between two strikes, the at the money strike shall be the larger of the two.

b. Over time, new twenty cent strikes will be added to ensure that all strikes within 50 percent of the previous day's settlement price in the underlying futures contract are listed.

2-

a. At the commencement of trading for weekly options, and for options that are traded in months in which Soybean futures are not traded, for short dated options on new crop futures, and for standard option months the business day they become the third listed month, the Exchange shall list a strike closest to the previous day's settlement price of the underlying Soybean futures contract (the at the money strike), and strikes in integral multiples of ten cents in a range of 25 percent above and below the at the money strike. If the previous day's settlement price is midway between two strikes, the at the money strike shall be the larger of the two. For example, ten cent strike price intervals for the September contract would be added on the first business day after the expiration of the June options contract.

b. Over time, new ten cent strike prices will be added to ensure that all strikes within 25 percent of the previous day's settlement price in the underlying futures are listed.

3. All strikes will be listed prior to the opening of trading on the following business day. Upon demand and at the discretion of the Exchange, new out of current range strike prices at regularly defined intervals may be added for trading on as soon as possible basis. The Exchange may modify the procedures for the introduction of strikes as it deems appropriate in order to respond to market conditions. As new 10 and 20 cent strikes are added, existing strikes outside the newly determined strike ranges without open interest may be de-listed.

² Revised April 2008; August 2008; December 2010.

11A01.F. 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.

11A01.G. Reserved

11A01.H. Nature of Options on Soybean Futures

The buyer of one Soybean futures put option may exercise his option at any time prior to expiration (subject to Regulation 11A02.A.), to assume a short position of one Soybean futures contract of a specified contract month at a striking price set at the time the option was purchased. The seller of one Soybean futures put option incurs the obligation of assuming a long position in one Soybean futures contract of a specified contract month at a striking price set at the time the option was sold, upon exercise by a put option buyer.

The buyer of one Soybean futures call option may exercise his option at any time prior to expiration (subject to Rule 11A02.A.), to assume a long position of one Soybean futures contract of a specified contract month at a striking price set at the time the option was purchased. The seller of one Soybean futures call option incurs the obligation of assuming a short position in one Soybean futures contract of a specified contract month at a striking price set at the time the option was sold, upon exercise by a call option buyer.

11A01.I. Termination of Trading

11A01.I.1. Standard and Serial Options

The last day of trading in any standard or serial option for expiry in a given month shall be the last Friday which precedes by at least two business days the last business day of the calendar month preceding such option's named expiry month. If such Friday is not a business day, then the last day of trading in such option shall be the business day prior to such Friday.

On their last day of trading, expiring standard or serial options shall cease trading at the close of the electronic session for the corresponding Soybean futures contract, subject to the provisions of Rule 11A01.D.

11A01.I.2. Weekly Options

Any weekly option shall be designated to expire on a given Friday, provided however that no weekly option shall be designated to expire on any Friday that is also the last day of trading in a standard or serial option (Rule 11A01.I.1.). Trading in any weekly option shall terminate on the Friday on which such option is designated to expire. If such Friday is not a business day, then trading in weekly options designated for expiration on such Friday shall terminate on the business day prior to such Friday.

On their last day of trading, expiring weekly options shall cease trading at the close of the electronic trading session for the corresponding Soybean futures contract, subject to the provisions of Rule 11A01.D.

11A01.I.3. Short Dated Options on new Crop Futures

The last day of trading in any short dated option on new crop futures for expiry in a given month shall be the last Friday which precedes by at least two business days the last business day of the calendar month preceding such option's named expiry month. If such Friday is not a business day, then the last day of trading in such option shall be the business day prior to such Friday.

On their last day of trading, short dated options on new crop futures shall cease trading at the close of the electronic trading session for the corresponding Soybean futures contract, subject to the provisions of Rule 11A01.D.

11A01.I.4. Trading in Underlying Futures

In the event that the underlying futures market does not open on a day scheduled for option expiration, such option expiration shall occur on the next day on which the underlying futures market opens for trading.

11A01.J. Contract Modification

Specifications shall be fixed as of the first day of trading of a contract except that all options must conform to government regulations in force at the time of exercise. If the U.S. government, an agency, or duly constituted body thereof issues an order, ruling, directive, or law inconsistent with these rules, such order, ruling, directive, or law shall be construed to become part of the rules and all open and new options contracts shall be subject to such government orders.

11A02. EXERCISE AND ASSIGNMENT

In addition to the applicable procedures and requirements of Chapter 7, the following shall apply to the exercise and assignment of Soybean Options.

~~11A02.A.— Exercise of Option~~

~~The buyer of a Soybean futures option may exercise the option on any business day prior to expiration by giving notice of exercise to the Clearing House by 5:30 p.m., or by such other time designated by the Exchange, on such day.~~

~~After the close on the last day of trading, all in-the-money options shall be automatically exercised, unless notice to cancel automatic exercise is given to the Clearing House. Notice to cancel automatic exercise shall be given to the Clearing House by 5:30 p.m., or by such other time designated by the Exchange, on the last day of trading.~~

~~Unexercised Soybean futures options shall expire at 5:30 p.m. on the last day of trading.~~

11A02.B.— Assignment

Exercise notices accepted by the Clearing House shall be assigned through a process of random selection to clearing members' open short positions in the same series. A clearing member to which an exercise notice is assigned shall be notified thereof as soon as practicable after such notice is assigned by the Clearing House.

The clearing member assigned an exercise notice shall be assigned a short position in the underlying futures contract if a call is exercised or a long position if a put is exercised. The clearing member representing the option buyer shall be assigned a long position in the underlying futures contract if a call is exercised and a short position if a put is exercised.

All such futures positions shall be assigned at a price equal to the exercise price of the option and shall be marked to market in accordance with Rule 814. on the trading day of acceptance by the Clearing House of the Exercise Notice.

11A03. [RESERVED]

11A04. CORRECTIONS TO OPTIONS EXERCISES

Corrections to option exercises, including automatic exercises, may be accepted by the Clearing House after the 5:30 p.m. deadline and up to the beginning of final option expiration processing provided that such corrections are necessary due to: (1) a bona fide clerical error, (2) an un-reconciled Exchange option transaction(s), or (3) an extraordinary circumstance where the clearing firm and customer are unable to communicate final option exercise instructions prior to the deadline. The decision as to whether a correction is acceptable will be made by the President of the Clearing House, or the President's designee, and such decision will be final.

11A05. OPTIONS PREMIUM LIMITS

There are no option premium limits during any day for options on Soybean futures.

11A06. PAYMENT OF OPTION PREMIUM

The option premium must be paid in full by each clearing member to the Clearing House and by each option customer to his futures commission merchant at the time that the option is purchased, or within a reasonable time after the option is purchased.

Chapter 11C

Soybean Board Crush Spread Options

11C00. SCOPE OF CHAPTER

This chapter is limited in application to put and call options on the Soybean Board Crush Spread. In addition to the rules of this chapter, transactions in Soybean Board Crush Spread Options shall be subject to the general rules of the Exchange insofar as applicable.

[For purposes of this chapter, unless otherwise specified, times referred to herein shall refer to and indicate Chicago time.](#)

11C01. OPTIONS CHARACTERISTICS

11C01.A. Contract Months

Trading in Soybean Board Crush Spread options may be scheduled in such months as determined by the Exchange.

11C01.B. Trading Unit

One Soybean Board Crush Spread is ten (10) Soybean futures contracts of a specified contract month, eleven (11) Soybean Meal futures contracts of a specified contract month, and nine (9) Soybean Oil futures contracts of a specified contract month on the Board of Trade of the City of Chicago, Inc.

The Soybean Board Crush Spread is based on the formula for calculating the conventional gross processing margin when a bushel of soybeans weighing 60 pounds is "crushed" to produce 44 pounds of 48% protein soybean meal, 11 pounds of soybean oil, 4 pounds of hulls, and 1 pound of waste.

The Soybean Board Crush Spread is calculated in \$/bushel as:

Soybean Meal in \$/ton x 0.022 + Soybean Oil in \$/cwt x 0.11 – Soybeans in \$/bu.

11C01.C. Minimum Fluctuations

The premium for Soybean Board Crush Spread options shall be in multiples of one-eighth (1/8) of one cent per bushel, or sixty-two dollars and fifty cents (\$62.50) per contract.

However, a position may be initiated or liquidated in Soybean Board Crush Spread options at premiums ranging from \$10.00 to \$60.00, in \$10.00 increments per option contract.

11C01.D. Trading Hours

The hours for trading of Soybean Board Crush Spread options contracts shall be determined by the Exchange. Soybean Board Crush Spread options shall be opened and closed for all months and strike prices simultaneously.

11C01.E. Exercise and Exercise Prices

[Transactions and exercise of options shall be conducted for option contracts as set forth in the Strike Price Listing and Exercise Procedures Table.](#)

~~Trading shall be conducted for put and call options with strike prices in integral multiples of two cents per bushel per Soybean Board Crush Spread. At the commencement of trading for such option contracts, the following strike prices shall be listed: one with an even numbered strike price closest to the previous day's Soybean Board Crush Spread price; the next ten consecutive higher and the next ten consecutive lower strike prices closest to the previous day's Soybean Board Crush Spread price; and all strike prices listed for all other option contract months listed at the time. If the previous day's settlement price is midway between two strike prices, the closest price shall be the larger of the two. When a sale in the underlying Soybean Board Crush Spread occurs at a price greater than or equal to the tenth largest strike price, a new strike price one increment higher than the existing strike prices will be added. When a sale in the underlying Soybean Board Crush Spread occurs at a price less than or equal to the tenth smallest strike price, a new strike price one increment lower than the existing strike prices will be added. When a new strike price is added for an option contract month, the same strike price will be added to all option contract months for which that strike price is not already listed. All new strike prices will be added prior to the opening of trading on the following business day.~~

~~The Exchange may modify the procedure for the introduction of strike prices as it deems appropriate in order to respond to market conditions.~~

11C01.F. 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.

11C01.G. Reserved

11C01.H. Nature of Options on the Soybean Crush Spread

The buyer of one Soybean Board Crush Spread put option may exercise his option at any time prior to expiration, (subject to Rule 11C02.A.), to assume a long position of ten Soybean futures contracts of a specified contract month, a short position of eleven Soybean Meal futures contracts of a specified contract month, and a short position of nine Soybean Oil futures contracts of a specified contract month at a strike price set at the time the option was purchased.

The seller of one Soybean Board Crush Spread put option incurs the obligation of assuming a short position of ten Soybean futures contracts of a specified contract month, a long position of eleven Soybean Meal futures contracts of a specified contract month, and a long position of nine Soybean Oil futures contracts of a specified contract month at a combination of prices such that the Soybean Board Crush Spread equals the strike price set at the time the option was sold, upon exercise by a put option buyer.

The buyer of one Soybean Board Crush Spread call option may exercise his option at any time prior to expiration, (subject to Rule 11C02.A.), to assume a short position of ten Soybean futures contracts of a specified contract month, a long position of eleven Soybean Meal futures contracts of a specified contract month, and a long position of nine Soybean Oil futures contracts of a specified contract month at a strike price set at the time the option was purchased.

The seller of one Soybean Board Crush Spread call option incurs the obligation of assuming a long position of ten Soybean futures contracts of a specified contract month, a short position of eleven Soybean Meal futures contracts of a specified contract month, and a short position of nine Soybean Oil futures contracts of a specified contract month at a combination of prices such that the Soybean Board Crush Spread equals the strike price set at the time the option was sold, upon exercise by a call option buyer.

11C01.I. Termination of Trading

No trades in Soybean Board Crush Spread options expiring in the current month shall be made after the close of trading of the electronic trading session for the corresponding Soybean Crush Spread on the day identical to the earliest expiration of options corresponding to the Soybean, Soybean Meal and Soybean Oil legs of the Crush Spread Option. Therefore, expiration will occur on the last Friday which precedes by at least two business days, the last business day of the month preceding that earliest expiring corresponding option month. If such Friday is not a business day, the last day of trading shall be the business day prior to such Friday. For example, the January Soybean Crush Spread Option (January Soybeans, Soybean Meal and Soybean Oil) will expire on the last Friday which precedes by at least two business days the last business day of December; the December Soybean Crush Spread Option (November Soybeans, and December Soybean Meal and Soybean Oil) will expire on the last Friday which precedes by at least two business days the last business day of October.

11C01.J. Contract Modification

Specifications shall be fixed as of the first day of trading of a contract except that all options must conform to government regulations in force at the time of exercise. If the U.S. government, an agency, or duly constituted body thereof issues an order, ruling, directive, or law inconsistent with these rules, such order, ruling, directive, or law shall be construed to become part of the rules and all open and new options contracts shall be subject to such government orders.

11C02. EXERCISE AND ASSIGNMENT

In addition to the applicable procedures and requirements of Chapter 7, the following shall apply to the ~~exercise and~~ assignment of Soybean Board Crush Spread Options.

~~**11C02.A.—Exercise of Option**~~

~~The buyer of a Soybean Crush Spread option may exercise the option on any business day up to and including the day such option expires by giving notice of exercise to the Clearing House by 5:30 p.m. Chicago time, or by such other time designated by the Exchange, on such day. In-the-money options that have not been liquidated or exercised on the last day of trading in such option shall be automatically exercised in the absence of contrary instructions delivered to the Clearing House by 5:30 p.m. Chicago time, or by such other time designated by the Exchange, on the last day of trading by the clearing member representing the option buyer.~~

The Soybean Board Crush Spread is calculated using final settlement values for the underlying contracts in the following formula: [(Settlement Price of Soybean Meal in \$/short ton x .022) + Settlement Price of Soybean Oil in cents/pound x 11] – (Settlement Price of Soybeans in \$/bushel). The results of this calculation are rounded to the nearest quarter of one cent (\$0.0025). An option is in-the-money if the rounded settlement price of the underlying Soybean Board Crush Spread is less in the case of a put, or greater in the case of a call, than the exercise price of the option.

~~**11C02.B.—Assignment**~~

~~Exercise notices accepted by the Clearing House shall be assigned through a process of random selection to clearing members' open short positions in the same series. A clearing member to which an exercise notice is assigned shall be notified of the assignment as soon as practicable after such notice is assigned by the Clearing House.~~

Upon the exercise of a Soybean Board Crush Spread option the Clearing House assigns prices to the legs of the Soybean Crush Spread in the following manner:

- a. assigned Soybean Meal price equals the Soybean Meal settlement price on the day of exercise rounded to the nearest \$2.50/ton,
- b. assigned Soybean Oil price equals the Soybean Oil settlement price on the day of exercise rounded to the nearest \$0.25/cwt,
- c. assigned Soybean price equals .022 times the assigned Soybean Meal price in \$/ton plus .11 times the assigned Soybean Oil price in \$/cwt minus the strike price of the Soybean Board Crush Spread option in \$/bu.

All such futures positions shall be marked to market in accordance with Rule 814 on the trading day of acceptance by the Clearing House of the exercise notice.

11C03. [RESERVED]

11C04. CORRECTIONS TO OPTIONS EXERCISES

Corrections to option exercises, including automatic exercises, may be accepted by the Clearing House after the 5:30 p.m. deadline and up to the beginning of final option expiration processing provided that such corrections are necessary due to: (1) a bona fide clerical error, (2) an un-reconciled Exchange option transaction(s), or (3) an extraordinary circumstance where the clearing firm and customer are unable to communicate final option exercise instructions prior to the deadline. The decision as to whether a correction is acceptable will be made by the President of the Clearing House, or the President's designee, and such decision will be final.

11C05. OPTION PREMIUM FLUCTUATION LIMITS

There are no option premium limits during any day for Soybean Board Crush Spread options.

11C06. PAYMENT OF OPTION PREMIUM

The option premium must be paid in full by each clearing member to the Clearing House and by each option customer to his futures commission merchant at the time that the option is purchased, or within a reasonable time after the option is purchased.

Chapter 11E Soybean Calendar Spread Options

11E00. SCOPE OF CHAPTER

This chapter is limited in application to put and call options on Soybean Futures Calendar Spreads. In addition to the rules of this chapter, transactions in Soybean Calendar Spread Options shall be subject to the general rules of the Exchange insofar as applicable.

[For purposes of this chapter, unless otherwise specified, times referred to herein shall refer to and indicate Chicago time.](#)

11E01. OPTIONS CHARACTERISTICS

11E01.A. Contract Months

Trading in Soybean Calendar Spread options may be scheduled in such months as determined by the Exchange.

11E01.B. Trading Unit

One Soybean Calendar Spread Option reflects one (1) Soybean futures contract of a specified nearby contract month, and one opposing Soybean futures contract of a specified deferred contract month on the Board of Trade of the City of Chicago, Inc.

The Soybean Calendar Spread is calculated in cents/bushel as:

Nearby Soybean futures price in cents/bushel – Deferred Soybean futures price in cents/bushel.

11E01.C. Minimum Fluctuations

The premium for Soybean Calendar Spread options shall be in multiples of one eighth (1/8) of one cent per bushel, or six dollars and twenty five cents (\$6.25) per contract.

However, a position may be initiated or liquidated in Soybean Calendar Spread options at premiums ranging from \$1.00 to \$6.00, in \$1.00 increments per option contract.

11E01.D. Trading Hours

The hours for trading of Soybean Calendar Spread options contracts shall be determined by the Exchange. Soybean Calendar Spread options shall be opened and closed for all months and strike prices simultaneously.

11E01.E. Exercise and Exercise Prices

Transactions and exercise of options shall be conducted for option contracts as set forth in the [Strike Price Listing and Exercise Procedures Table](#).

~~Trading shall be conducted for put and call options on futures calendar spreads consisting of the nearby futures month and the next available futures month with strike prices in integral multiples of one cent per bushel per Soybeans Calendar Spread option contract. Trading shall be conducted for put and call options on futures calendar spreads consisting of the nearby futures month and a futures month beyond the next available futures month with strike prices in integral multiples of five cents per bushel per Soybean Calendar Spread option contract. At the commencement of trading for such option contracts, the following strike prices shall be listed: one with a strike price closest to the previous day's Soybean Calendar Spread price settlement; the next ten consecutive higher and the next ten consecutive lower strike prices closest to the previous day's Soybean Calendar Spread price settlement. If the previous day's settlement price is midway between two strike prices, the closest price shall be the larger of the two. When a sale in the underlying Soybean Calendar Spread occurs at a price greater than or equal to the tenth largest strike price, a new strike price one increment higher than the existing strike prices will be added. When a sale in the underlying Soybean Calendar Spread occurs at a price less than or equal to the tenth smallest strike price, a new strike price one increment lower than the existing strike prices will be added. When a new strike price is added for an option contract month, the same strike price will be added to all option contract months for which that strike price is not already listed. All new strike prices will be added prior to the opening of trading on the following business day.~~

~~All strikes will be listed prior to the opening of trading on the following business day. Upon demand and at the discretion of the Exchange, new out-of-current-range strike prices at regularly defined intervals may be added for trading on as soon as possible basis. The Exchange may modify the procedures for the introduction of strikes as it deems appropriate in order to respond to market conditions.~~

~~The Exchange may modify the procedure for the introduction of strike prices as it deems appropriate in order to respond to market conditions.~~

11E01.F. 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.

11E01.G. Reserved

11E01.H. Nature of Options on the Calendar Spreads

The buyer of one Soybean Calendar Spread put option may exercise his option only upon option expiration, (subject to Rule 11E02.A), to assume a short position of one futures contract of a nearby specified contract month, and a long position in one futures contract of a deferred specified contract month, at a strike price set at the time the option was purchased.

The seller of one Soybean Calendar Spread put option incurs the obligation of assuming a long position one futures contract of a nearby specified contract month, and a short position of one futures contract of a deferred specified contract month at a combination of prices such that the Calendar Spread equals the strike price set at the time the option was sold, upon exercise by a put option buyer.

The buyer of one Soybean Calendar Spread call option may exercise his option only upon option expiration, (subject to Rule 11E02.A), to assume a long position of one futures contract of a nearby specified contract month, and a short position of one futures contract of a deferred specified contract month at a strike price set at the time the option was purchased.

The seller of one Soybean Calendar Spread call option incurs the obligation of assuming a short position of one futures contract of a nearby specified contract month and a long position of one futures contract of a deferred specified contract month at a combination of prices such that the Calendar Spread equals the strike price set at the time the option was sold, upon exercise by a call option buyer.

11E01.I. Termination of Trading

Subject to the provisions of rule 11E01.D no trades in Soybean Calendar Spread options expiring in the current month shall be made after the close of trading of the electronic trading session on the day identical to the expiration of options corresponding to Soybean Futures. Therefore, expiration will occur on the last Friday which precedes by at least two business days, the last business day of the month preceding that earliest expiring corresponding option month. If such Friday is not a business day, the last day of trading shall be the business day prior to such Friday. For example, the March-May Soybean Calendar Spread Option (March Soybeans minus May Soybeans) will expire on the last Friday which precedes by at least two business days the last business day of February; the November-January Soybean Calendar Spread Option (November Soybeans minus January Soybeans) will expire on the last Friday which precedes by at least two business days the last business day of October.

11E01.J. Contract Modification

Specifications shall be fixed as of the first day of trading of a contract except that all options must conform to government regulations in force at the time of exercise. If the U.S. government, an agency, or duly constituted body thereof issues an order, ruling, directive, or law inconsistent with these rules, such order, ruling, directive, or law shall be construed to become part of the rules and all open and new options contracts shall be subject to such government orders.

11E02. EXERCISE AND ASSIGNMENT

In addition to the applicable procedures and requirements of Chapter 7, the following shall apply to the ~~exercise and~~ assignment of Soybean Calendar Spread Options.

~~11E02.A. Exercise of Option~~

~~The buyer of a Soybean Calendar Spread option may exercise the option only on the business day such option expires by giving notice of exercise to the Clearing House by 5:30 p.m. Chicago time, or by such other time designated by the Exchange, on such day. In the money options that have not been liquidated or exercised on the last day of trading in such option shall be automatically exercised in the absence of contrary instructions delivered to the Clearing House by 5:30 p.m. Chicago time, or by such other time designated by the Exchange, on the last day of trading by the clearing member representing the option buyer.~~

The Soybean Calendar Spread is calculated using final settlement values for the underlying contracts in the following formula: (Settlement Price of specified nearby Soybean futures) – (Settlement Price of specified deferred Soybean futures). An option is in-the-money if the settlement price of the underlying Calendar Spread is greater in the case of a call, or less in the case of a put, than the exercise price of the option.

~~11E02.B. Assignment~~

Exercise notices accepted by the Clearing House shall be assigned through a process of random selection to clearing members' open short positions in the same series. A clearing member to which an exercise notice is assigned shall be notified of the assignment as soon as practicable after such notice is assigned by the Clearing House.

Upon the exercise of a Soybean Calendar Spread option the Clearing House assigns prices to the legs of the Soybean Calendar Spread in the following manner:

- a. assigned nearby Soybean Futures price equals the Soybean Futures settlement price on the day of exercise,
- b. assigned deferred Soybean Futures price equals the nearby Soybean Futures settlement price on the day of exercise minus the strike value of the option,

All such futures positions shall be marked to market in accordance with Rule 814 on the trading day of acceptance by the Clearing House of the exercise notice.

11E03. [RESERVED]

11E04. CORRECTIONS TO OPTIONS EXERCISES

Corrections to option exercises, including automatic exercises, may be accepted by the Clearing House after the 5:30 p.m. deadline and up to the beginning of final option expiration processing provided that such corrections are necessary due to: (1) a bona fide clerical error, (2) an un-reconciled Exchange option transaction(s), or (3) an extraordinary circumstance where the clearing firm and customer are unable to communicate final option exercise instructions prior to the deadline. The decision as to whether a correction is acceptable will be made by the President of the Clearing House, or the President's designee, and such decision will be final.

11E05. OPTION PREMIUM FLUCTUATION LIMITS

There are no option premium limits during any day for Soybean Calendar Spread options.

11E06. PAYMENT OF OPTION PREMIUM

The option premium must be paid in full by each clearing member to the Clearing House and by each option customer to his futures commission merchant at the time that the option is purchased, or within a reasonable time after the option is purchased.

Chapter 12A Options on Soybean Oil Futures

12A00. SCOPE OF CHAPTER

This chapter is limited in application to put and call options on Soybean Oil futures contracts. In addition to the rules of this chapter, transactions in options on Soybean Oil futures shall be subject to the general rules of the Exchange insofar as applicable.

[For purposes of this chapter, unless otherwise specified, times referred to herein shall refer to and indicate Chicago time.](#)

12A01. OPTIONS CHARACTERISTICS

12A01.A. Contract Months

Trading may be conducted in the nearby Soybean Oil futures options contract month and any succeeding months, provided however, that the Exchange may determine not to list a contract month. For options that are traded in months in which Soybean Oil futures are not traded, the underlying futures contract is the next futures contract that is nearest to the expiration of the option. For example, the underlying futures contract for the February option contract is the March futures contract. For short-dated options on new crop futures, the underlying futures contract is the December futures contract that is nearest to the expiration of the option.

12A01.B. Trading Unit

One 60,000 pound Soybean Oil futures contract of a specified contract month.

12A01.C. Minimum Fluctuations

The premium for Soybean Oil futures options shall be in multiples of five thousandths (5/1000) of one cent per pound of a 60,000 pound Soybean Oil futures contract which shall equal \$3.00 per contract.

However, a position may be initiated or liquidated in Soybean Oil futures options at a premium ranging from \$1.00 to \$2.00 in \$1.00 increments per option contract.

12A01.D. Trading Hours

The hours of trading of options on Soybean Oil futures contracts shall be determined by the Exchange. Soybean Oil futures options shall be opened and closed for all months and strike prices simultaneously or in such other manner as determined by the Exchange.

12A01.E. Exercise and Exercise Prices

Transactions and exercise of options shall be conducted for option contracts as set forth in the [Strike Price Listing and Exercise Procedures Table](#).

~~Trading shall be conducted for put and call options, including standard, serial, short-dated new crop, and weekly options, with striking prices (the "strikes") in integral multiples of one half cent per pound per Soybean Oil futures contract as follows:~~

- ~~1. a. At the commencement of trading for each option contract, the Exchange shall list a strike closest to the previous day's settlement price of the underlying Soybean Oil futures contract (the at-the-money strike), and strikes in a range of 50 percent above and below the at-the-money strike. If the previous day's settlement price is midway between two strikes, the at-the-money strike shall be the larger of the two.~~
- ~~b. Over time, strikes shall be added as necessary to ensure that all strikes within 50 percent of the previous day's settlement price in the underlying futures contract are listed.~~
- ~~2. All strikes will be listed prior to the opening of trading on the following business day. Upon demand and at the discretion of the Exchange, new out-of-current-range strike prices at regularly defined intervals may be added for trading on as soon as possible basis. The Exchange may modify the procedures for the introduction of strikes as it deems appropriate in order to respond to market conditions. As new one half cent strikes are added, existing strikes outside the newly determined strike ranges without open interest may be de-listed.~~

12A01.F. 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.

12A01.G. Reserved

12A01.H. Nature of Options on Soybean Oil Futures

The buyer of one Soybean Oil futures put option may exercise his option at any time prior expiration (subject to Regulation 12A02.A.), to assume a short position in one Soybean Oil futures contract of a specified contract month at a striking price set at the time the option was purchased. The seller of one Soybean Oil futures put option incurs the obligation of assuming a long position in one Soybean Oil futures contract of a specified contract month at a striking price set at the time the option was sold, upon exercise by a put option buyer.

The buyer of one Soybean Oil futures call option may exercise his option at any time prior to expiration (subject to Rule 12A02.A.), to assume a long position in one Soybean Oil futures contract of a specified contract month at a striking price set at the time the option was purchased. The seller of one Soybean Oil futures call option incurs the obligation of assuming a short position in one Soybean Oil futures contract of a specified contract month at a striking price set at the time the option was sold, upon exercise by a call option buyer.

12A01.I. Termination of Trading

12A01.I.1. Standard and Serial Options

The last day of trading in any standard or serial option for expiry in a given month shall be the last Friday which precedes by at least two business days the last business day of the calendar month preceding such option's named expiry month. If such Friday is not a business day, then the last day of trading in such option shall be the business day prior to such Friday.

On their last day of trading, expiring standard or serial options shall cease trading at the close of the electronic trading session for the corresponding Soybean Oil futures contract, subject to the provisions of Rule 12A01.D.

12A01.I.2. Weekly Options

Any weekly option shall be designated to expire on a given Friday, provided however that no weekly option shall be designated to expire on any Friday that is also the last day of trading in a standard or serial option (Rule 12A01.I.1.). Trading in any weekly option shall terminate on the Friday on which such option is designated to expire. If such Friday is not a business day, then trading in weekly options designated for expiration on such Friday shall terminate on the business day prior to such Friday.

On their last day of trading, expiring weekly options shall cease trading at the close of the electronic trading session for the corresponding Soybean Oil futures contract, subject to the provisions of Rule 12A01.D.

12A01.I.3. Short-Dated Options on New Crop Futures

The last day of trading in any short-dated option on new crop futures for expiry in a given month shall be the last Friday which precedes by at least two business days the last business day of the calendar month preceding such option's named expiry month. If such Friday is not a business day, then the last day of trading in such option shall be the business day prior to such Friday.

On their last day of trading, short-dated options on new crop futures shall cease trading at the close of the electronic trading session for the corresponding Soybean Oil futures contract, subject to the provisions of Rule 12A01.D.

12A01.I.4. Trading in Underlying Futures

In the event that the underlying futures market does not open on a day scheduled for option expiration, such option expiration shall occur on the next day on which the underlying futures market opens for trading.

12A01.J. Contract Modification

Specifications shall be fixed as of the first day of trading of a contract except that all options must conform to government regulations in force at the time of exercise. If the U.S. government, an agency, or duly constituted body thereof issues an order, ruling, directive, or law inconsistent with these rules, such order, ruling, directive, or law shall be construed to become part of the rules and all open and new options contracts shall be subject to such government orders.

12A02. EXERCISE AND ASSIGNMENT

In addition to the applicable procedures and requirements of Chapter 7, the following shall apply to the exercise and assignment of Soybean Oil Options.

~~12A02.A. — Exercise of Option~~

~~The buyer of a Soybean Oil futures option may exercise the option on any business day prior to expiration by giving notice of exercise to the Clearing House by 5:30 p.m., or by such other time designated by the Exchange, on such day.~~

~~After the close on the last day of trading, all in-the-money options shall be automatically exercised, unless notice to cancel automatic exercise is given to the Clearing House. Notice to cancel automatic exercise shall be given to the Clearing House by 5:30 p.m., or by such other time designated by the Exchange, on the last day of trading.~~

~~Unexercised Soybean Oil futures options shall expire at 5:30 p.m. on the last day of trading.~~

~~12A02.B.~~ **Assignment**

Exercise notices accepted by the Clearing House shall be assigned through a process of random selection to clearing members' open short positions in the same series. A clearing member to which an exercise notice is assigned shall be notified thereof as soon as practicable after such notice is assigned by the Clearing House.

The clearing member assigned an exercise notice shall be assigned a short position in the underlying futures contract if a call is exercised or a long position if a put is exercised. The clearing member representing the option buyer shall be assigned a long position in the underlying futures contract if a call is exercised and a short position if a put is exercised.

All such futures positions shall be assigned at a price equal to the exercise price of the option and shall be marked to market in accordance with Rule 814 on the trading day of acceptance by the Clearing House of the Exercise Notice.

12A03. [RESERVED]

12A04. CORRECTIONS TO OPTIONS EXERCISES

Corrections to option exercises, including automatic exercises, may be accepted by the Clearing House after the 5:30 p.m. deadline and up to the beginning of final option expiration processing provided that such corrections are necessary due to: (1) a bona fide clerical error, (2) an un-reconciled Exchange option transaction(s), or (3) an extraordinary circumstance where the clearing firm and customer are unable to communicate final option exercise instructions prior to the deadline. The decision as to whether a correction is acceptable will be made by the President of the Clearing House, or the President's designee, and such decision will be final.

12A05. OPTION PREMIUM LIMITS

There are no option premium limits during any day for options on Soybean Oil futures.

12A06. PAYMENT OF OPTION PREMIUM

The option premium must be paid in full by each clearing member to the Clearing House and by each option customer to his futures commission merchant at the time that the option is purchased, or within a reasonable time after the option is purchased.

Chapter 12B Soybean Oil Calendar Spread Options

12B00. SCOPE OF CHAPTER

This chapter is limited in application to put and call options on Soybean Oil Futures Calendar Spreads. In addition to the rules of this chapter, transactions in Soybean Oil Calendar Spread Options shall be subject to the general rules of the Exchange insofar as applicable.

[For purposes of this chapter, unless otherwise specified, times referred to herein shall refer to and indicate Chicago time.](#)

12B01. OPTIONS CHARACTERISTICS

12B01.A. Contract Months

Trading in Soybean Oil Calendar Spread options may be scheduled in such months as determined by the Exchange.

12B01.B. Trading Unit

One Soybean Oil Calendar Spread Option reflects one (1) Soybean Oil futures contract of a specified nearby contract month, and one opposing Soybean Oil futures contract of a specified deferred contract month on the Board of Trade of the City of Chicago, Inc.

The Soybean Oil Calendar Spread is calculated in hundredths of cents/pound as:

Nearby Soybean Oil futures price in hundredths of cents/pound – Deferred Soybean Oil futures price in hundredths of cents/pound.

12B01.C. Minimum Fluctuations

The premium for Soybean Oil Calendar Spread options shall be in multiples of five thousandths (5/1000) of one cent per pound, or three dollars (\$3.00) per contract.

However, a position may be initiated or liquidated in Soybean Oil Calendar Spread options at premiums ranging from \$1.00 to \$2.00, in \$1.00 increments per option contract.

12B01.D. Trading Hours

The hours for trading of Soybean Oil Calendar Spread options contracts shall be determined by the Exchange. Soybean Oil Calendar Spread options shall be opened and closed for all months and strike prices simultaneously.

12B01.E. Exercise and Exercise Prices

Transactions and exercise of options shall be conducted for option contracts as set forth in the [Strike Price Listing and Exercise Procedures Table](#).

~~Trading shall be conducted for put and call options with strike prices in integral multiples of five hundredths of a cent per pound per Soybean Oil Calendar Spread contract. At the commencement of trading for such option contracts, the following strike prices shall be listed: one with a strike price closest to the previous day's Soybean Oil Calendar Spread settlement price; the next ten consecutive higher and the next ten consecutive lower strike prices closest to the previous day's Soybean Oil Calendar Spread settlement price. If the previous day's settlement price is midway between two strike prices, the closest price shall be the larger of the two. When a sale in the underlying Soybean Oil Calendar Spread occurs at a price greater than or equal to the tenth largest strike price, a new strike price one increment higher than the existing strike prices will be added. When a sale in the underlying Soybean Oil Calendar Spread occurs at a price less than or equal to the tenth smallest strike price, a new strike price one increment lower than the existing strike prices will be added. When a new strike price is added for an option contract month, the same strike price will be added to all option contract months for which that strike price is not already listed. All new strike prices will be added prior to the opening of trading on the following business day.~~

~~The Exchange may modify the procedure for the introduction of strike prices as it deems appropriate in order to respond to market conditions.~~

12B01.F. 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.

12B01.G. Reserved

12B01.H. Nature of Options on the Calendar Spreads

The buyer of one Soybean Oil Calendar Spread put option may exercise his option only upon option expiration, (subject to Rule 12B02.A), to assume a short position of one futures contract of a nearby specified contract month, and a long position in one futures contract of a deferred specified contract month, at a strike price set at the time the option was purchased.

The seller of one Soybean Oil Calendar Spread put option incurs the obligation of assuming a long position one futures contract of a nearby specified contract month, and a short position of one futures contract of a deferred specified contract month at a combination of prices such that the Calendar Spread equals the strike price set at the time the option was sold, upon exercise by a put option buyer.

The buyer of one Soybean Oil Calendar Spread call option may exercise his option only upon option expiration, (subject to Rule 12B02.A), to assume a long position of one futures contract of a nearby specified contract month, and a short position of one futures contract of a deferred specified contract month at a strike price set at the time the option was purchased.

The seller of one Soybean Oil Calendar Spread call option incurs the obligation of assuming a short position of one futures contracts of a nearby specified contract month and a long position of one futures contract of a deferred specified contract month at a combination of prices such that the Calendar Spread equals the strike price set at the time the option was sold, upon exercise by a call option buyer.

12B01.I. Termination of Trading

Subject to the provisions of rule 12B01.D no trades in Soybean Oil Calendar Spread options expiring in the current month shall be made after the close of trading of the electronic trading session on the day identical to the expiration of options corresponding to Soybean Oil Futures. Therefore, expiration will occur on the last Friday which precedes by at least two business days, the last business day of the month preceding that earliest expiring corresponding option month. If such Friday is not a business day, the last day of trading shall be the business day prior to such Friday. For example, the March-May Soybean Oil Calendar Spread Option (March Soybean Oil minus May Soybean Oil) will expire on the last Friday which precedes by at least two business days the last business day of February; the

October-December Soybean Oil Calendar Spread Option (October Soybean Oil minus December Soybean) will expire on the last Friday which precedes by at least two business days the last business day of September.

12B01.J. Contract Modification

Specifications shall be fixed as of the first day of trading of a contract except that all options must conform to government regulations in force at the time of exercise. If the U.S. government, an agency, or duly constituted body thereof issues an order, ruling, directive, or law inconsistent with these rules, such order, ruling, directive, or law shall be construed to become part of the rules and all open and new options contracts shall be subject to such government orders.

12B02. EXERCISE AND ASSIGNMENT

In addition to the applicable procedures and requirements of Chapter 7, the following shall apply to the ~~exercise and~~ assignment of Soybean Oil Calendar Spread Options.

~~12B02.A. Exercise of Option~~

~~The buyer of a Soybean Oil Calendar Spread option may exercise the option only on the business day such option expires by giving notice of exercise to the Clearing House by 5:30 p.m. Chicago time, or by such other time designated by the Exchange, on such day. In the money options that have not been liquidated or exercised on the last day of trading in such option shall be automatically exercised in the absence of contrary instructions delivered to the Clearing House by 5:30 p.m. Chicago time, or by such other time designated by the Exchange, on the last day of trading by the clearing member representing the option buyer.~~

The Soybean Oil Calendar Spread is calculated using final settlement values for the underlying contracts in the following formula: (Settlement Price of specified nearby Soybean Oil futures) – (Settlement Price of specified deferred Soybean Oil futures). An option is in-the-money if the settlement price of the underlying Calendar Spread is greater in the case of a call, or less in the case of a put, than the exercise price of the option.

~~12B02.B. Assignment~~

Exercise notices accepted by the Clearing House shall be assigned through a process of random selection to clearing members' open short positions in the same series. A clearing member to which an exercise notice is assigned shall be notified of the assignment as soon as practicable after such notice is assigned by the Clearing House.

Upon the exercise of a Soybean Oil Calendar Spread option the Clearing House assigns prices to the legs of the Soybean Oil Calendar Spread in the following manner:

- a. assigned nearby Soybean Oil Futures price equals the Soybean Oil Futures settlement price on the day of exercise,
- b. assigned deferred Soybean Oil Futures price equals the nearby Soybean Oil Futures settlement price on the day of exercise minus the strike value of the option,

All such futures positions shall be marked to market in accordance with Rule 814 on the trading day of acceptance by the Clearing House of the exercise notice.

12B03. [RESERVED]

12B04. CORRECTIONS TO OPTIONS EXERCISES

Corrections to option exercises, including automatic exercises, may be accepted by the Clearing House after the 5:30 p.m. deadline and up to the beginning of final option expiration processing provided that such corrections are necessary due to: (1) a bona fide clerical error, (2) an un-reconciled Exchange option transaction(s), or (3) an extraordinary circumstance where the clearing firm and customer are unable to communicate final option exercise instructions prior to the deadline. The decision as to whether a correction is acceptable will be made by the President of the Clearing House, or the President's designee, and such decision will be final.

12B05. OPTION PREMIUM FLUCTUATION LIMITS

There are no option premium limits during any day for Soybean Oil Calendar Spread options.

12B06. PAYMENT OF OPTION PREMIUM

The option premium must be paid in full by each clearing member to the Clearing House and by each option customer to his futures commission merchant at the time that the option is purchased, or within a reasonable time after the option is purchased.

Chapter 13A

Options on Soybean Meal Futures

13A00. SCOPE OF CHAPTER

This chapter is limited in application to put and call options on Soybean Meal futures contracts. In addition to the rules of this chapter, transactions in options on Soybean Meal futures shall be subject to the general rules of the Exchange insofar as applicable.

For purposes of this chapter, unless otherwise specified, times referred to herein shall refer to and indicate Chicago time.

13A01. OPTIONS CHARACTERISTICS

13A01.A. Contract Months

Trading may be conducted in the nearby Soybean Meal futures options contract month and any succeeding months, provided however, that the Exchange may determine not to list a contract month. For options that are traded in months in which Soybean Meal futures are not traded, the underlying futures contract is the next futures contract that is nearest to the expiration of the option. For example, the underlying futures contract for the February option contract is the March futures contract. For short-dated options on new crop futures, the underlying futures contract is the December futures contract that is nearest to the expiration of the option.

13A01.B. Trading Unit

One 100 ton Soybean Meal futures contract of a specified contract month.

13A01.C. Minimum Fluctuations

The premium for Soybean Meal futures options shall be in multiples of five cents per ton of a 100 ton Soybean Meal futures contract which shall equal \$5.00 per contract.

However, a position may be initiated or liquidated in Soybean Meal futures options at a premium ranging from \$1.00 to \$4.00 in \$1.00 increments per option contract.

13A01.D. Trading Hours

The hours of trading of options on Soybean Meal futures contracts shall be determined by the Exchange. Soybean Meal futures options shall be opened and closed for all months and strike prices simultaneously or in such other manner as determined by the Exchange.

13A01.E. Exercise and Exercise Prices

Transactions and exercise of options shall be conducted for option contracts as set forth in the [Strike Price Listing and Exercise Procedures Table](#).

~~Trading shall be conducted for standard and serial put and call options with striking prices (the "strikes") in integral multiples of five (5) dollars per ton per Soybean Meal futures contract for all strikes less than two hundred dollars and in integral multiples of ten (10) dollars per ton per Soybean Meal futures contract for all strikes greater than or equal to two hundred dollars as follows:~~

- ~~1. a. At the commencement of trading for each option contract, the Exchange shall list a strike closest to the previous day's settlement price of the underlying Soybean Meal futures contract (the at-the-money strike), and strikes in a range of 50 percent above and below the at-the-money strike. If the previous day's settlement price is midway between two strikes, the at-the-money strike shall be the larger of the two.~~
 - ~~b. Over time, strikes shall be added as necessary to ensure that all strikes within 50 percent of the previous day's settlement price in the underlying futures are listed.~~
- ~~2. a. For standard option months the business day they become the third listed standard month, at the commencement of trading for serial options, at the commencement of trading for short-dated options on new crop futures, and at the commencement of trading for weekly options, the Exchange shall list a strike closest to the previous day's settlement price of the underlying Soybean Meal futures contract (the at-the-money strike), and strikes in integral multiples of five dollars in a range of 50 percent above and below the at-the-money strike. If the previous day's settlement price is midway between two strikes, the at-the-money strike shall be the larger of the two.~~
 - ~~b. Over time, new 5 dollar strike prices shall be added to ensure that all strikes within 50 percent of the previous day's settlement price in the underlying futures are listed.~~
- ~~3. All strikes will be listed prior to the opening of trading on the following business day. Upon demand and at the discretion of the Exchange, new out-of-current-range strike prices at regularly defined intervals may be added for trading on as soon as possible basis. The Exchange may modify the procedures for the introduction of strikes as it deems appropriate in order to respond to market conditions. As new strikes are added, existing strikes outside the newly determined strike ranges without open interest may be de-listed.~~

13A01.F. 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.

13A01.G. Reserved

13A01.H. Nature of Options on Soybean Meal Futures

The buyer of one Soybean Meal futures put option may exercise his option at any time prior to expiration (subject to Regulation 13A02.A.), to assume a short position in one Soybean Meal futures contract of a specified contract month at a striking price set at the time the option was purchased. The seller of one Soybean Meal futures put option incurs the obligation of assuming a long position in one Soybean Meal futures contract of a specified contract month at a striking price set at the time the option was sold, upon exercise by a put option buyer.

The buyer of one Soybean Meal futures call option may exercise his option at any time prior to expiration (subject to Rule 13A02.A.), to assume a long position in one Soybean Meal futures contract of a specified contract month at a striking price set at the time the option was purchased. The seller of one Soybean Meal futures call option incurs the obligation of assuming a short position in one Soybean Meal futures contract of a specified contract month at a striking price set at the time the option was sold, upon exercise by a call option buyer.

13A01.I. Termination of Trading

13A01.I.1. Standard and Serial Options

The last day of trading in any standard or serial option for expiry in a given month shall be the last Friday which precedes by at least two business days the last business day of the calendar month preceding such option's named expiry month. If such Friday is not a business day, then the last day of trading in such option shall be the business day prior to such Friday.

On their last day of trading, expiring standard or serial options shall cease trading at the close of the electronic trading session for the corresponding Soybean Meal futures contract, subject to the provisions of Rule 13A01.D.

13A01.I.2. Weekly Options

Any weekly option shall be designated to expire on a given Friday, provided however that no weekly option shall be designated to expire on any Friday that is also the last day of trading in a standard or serial option (Rule 13A01.I.1.). Trading in any weekly option shall terminate on the Friday on which such option is designated to expire. If such Friday is not a business day, then trading in weekly options designated for expiration on such Friday shall terminate on the business day prior to such Friday.

On their last day of trading, expiring weekly options shall cease trading at the close of electronic trading session for the corresponding Soybean Meal futures contract, subject to the provisions of Rule 13A01.D.

13A01.I.3. Short-Dated Options on New Crop Futures

The last day of trading in any short-dated option on new crop futures for expiry in a given month shall be the last Friday which precedes by at least two business days the last business day of the calendar month preceding such option's named expiry month. If such Friday is not a business day, then the last day of trading in such option shall be the business day prior to such Friday.

On their last day of trading, short-dated options on new crop futures shall cease trading at the close of the electronic trading session for the corresponding Soybean Meal futures contract, subject to the provisions of Rule 13A01.D.

13A01.I.4. Trading in Underlying Futures

In the event that the underlying futures market does not open on a day scheduled for option expiration, such option expiration shall occur on the next day on which the underlying futures market opens for trading.

13A01.J. Contract Modification

Specifications shall be fixed as of the first day of trading of a contract except that all options must conform to government regulations in force at the time of exercise. If the U.S. government, an agency, or duly constituted body thereof issues an order, ruling, directive, or law inconsistent with these rules, such order, ruling, directive, or law shall be construed to become part of the rules and all open and new options contracts shall be subject to such government orders.

13A02. EXERCISE AND ASSIGNMENT

In addition to the applicable procedures and requirements of Chapter 7, the following shall apply to the ~~exercise and~~ assignment of Soybean Meal Options.

~~13A02.A.— Exercise of Option~~

~~The buyer of a Soybean Meal futures option may exercise the option on any business day prior to expiration by giving notice of exercise to the Clearing House by 5:30 p.m., or by such other time designated by the Exchange, on such day.~~

~~After the close on the last day of trading, all in-the-money options shall be automatically exercised, unless notice to cancel automatic exercise is given to the Clearing House. Notice to cancel automatic exercise shall be given to the Clearing House by 5:30 p.m., or by such other time designated by the Exchange, on the last day of trading.~~

~~Unexercised Soybean Meal futures options shall expire at 5:30 p.m. on the last day of trading.~~

13A02.B.— Assignment

Exercise notices accepted by the Clearing House shall be assigned through a process of random selection to clearing members' open short positions in the same series. A clearing member to which an exercise notice is assigned shall be notified thereof as soon as practicable after such notice is assigned by the Clearing House.

The clearing member assigned an exercise notice shall be assigned a short position in the underlying futures contract if a call is exercised or a long position if a put is exercised. The clearing member representing the option buyer shall be assigned a long position in the underlying futures contract if a call is exercised and a short position if a put is exercised.

All such futures positions shall be assigned at a price equal to the exercise price of the option and shall be marked to market in accordance with Rule 814 on the trading day of acceptance by the Clearing House of the Exercise Notice.

13A03. [RESERVED]

13A04. CORRECTIONS TO OPTIONS EXERCISES

Corrections to option exercises, including automatic exercises, may be accepted by the Clearing House after the 5:30 p.m. deadline and up to the beginning of final option expiration processing provided that such corrections are necessary due to: (1) a bona fide clerical error, (2) an un-reconciled Exchange option transaction(s), or (3) an extraordinary circumstance where the clearing firm and customer are unable to communicate final option exercise instructions prior to the deadline. The decision as to whether a correction is acceptable will be made by the President of the Clearing House, or the President's designee, and such decision will be final.

13A05. OPTIONS PREMIUM LIMITS

There are no option premium limits during any day for options on Soybean Meal futures.

13A06. PAYMENT OF OPTION PREMIUM

The option premium must be paid in full by each clearing member to the Clearing House and by each option customer to his futures commission merchant at the time that the option is purchased, or within a reasonable time after the option is purchased.

Chapter 13B

Soybean Meal Calendar Spread Options

13B00. SCOPE OF CHAPTER

This chapter is limited in application to put and call options on Soybean Meal Futures Calendar Spreads. In addition to the rules of this chapter, transactions in Soybean Meal Calendar Spread Options shall be subject to the general rules of the Exchange insofar as applicable.

[For purposes of this chapter, unless otherwise specified, times referred to herein shall refer to and indicate Chicago time.](#)

13B01. OPTIONS CHARACTERISTICS

13B01.A. Contract Months

Trading in Soybean Meal Calendar Spread options may be scheduled in such months as determined by the Exchange.

13B01.B. Trading Unit

One Soybean Meal Calendar Spread Option reflects one (1) Soybean Meal futures contract of a specified nearby contract month, and one opposing Soybean Meal futures contract of a specified deferred contract month on the Board of Trade of the City of Chicago, Inc.

The Soybean Meal Calendar Spread is calculated in dollars and cents per ton as:

Nearby Soybean Meal futures price in dollars and cents per ton – Deferred Soybean Meal futures price in dollars and cents per ton.

13B01.C. Minimum Fluctuations

The premium for Soybean Meal Calendar Spread options shall be in multiples of five cents per ton, which shall equal \$5.00 per contract.

However, a position may be initiated or liquidated in Soybean Meal Calendar Spread options at premiums ranging from \$1.00 to \$4.00, in \$1.00 increments per option contract.

13B01.D. Trading Hours

The hours for trading of Soybean Meal Calendar Spread options contracts shall be determined by the Exchange. Soybean Meal Calendar Spread options shall be opened and closed for all months and strike prices simultaneously.

13B01.E. Exercise and Exercise Prices

Transactions and exercise of options shall be conducted for option contracts as set forth in the [Strike Price Listing and Exercise Procedures Table](#).

~~Trading shall be conducted for put and call options with strike prices in integral multiples of fifty cents per ton per Soybean Meal Calendar Spread contract. At the commencement of trading for such option contracts, the following strike prices shall be listed: one with a strike price closest to the previous day's Soybean Meal Calendar Spread settlement price; the next ten consecutive higher and the next ten consecutive lower strike prices closest to the previous day's Soybean Meal Calendar Spread settlement price. If the previous day's settlement price is midway between two strike prices, the closest price shall be the larger of the two. When a sale in the underlying Soybean Meal Calendar Spread occurs at a price greater than or equal to the tenth largest strike price, a new strike price one increment higher than the existing strike prices will be added. When a sale in the underlying Soybean Meal Calendar Spread occurs at a price less than or equal to the tenth smallest strike price, a new strike price one increment lower than the existing strike prices will be added. When a new strike price is added for an option contract month, the same strike price will be added to all option contract months for which that strike price is not already listed. All new strike prices will be added prior to the opening of trading on the following business day.~~

~~The Exchange may modify the procedure for the introduction of strike prices as it deems appropriate in order to respond to market conditions.~~

13B01.F. 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.

13B01.G. Reserved

13B01.H. Nature of Options on the Calendar Spreads

The buyer of one Soybean Meal Calendar Spread put option may exercise his option only upon option expiration, (subject to Rule 13B02.A), to assume a short position of one futures contract of a nearby specified contract month, and a long position in one futures contract of a deferred specified contract month, at a strike price set at the time the option was purchased.

The seller of one Soybean Meal Calendar Spread put option incurs the obligation of assuming a long position one futures contract of a nearby specified contract month, and a short position of one futures contract of a deferred specified contract month at a combination of prices such that the Calendar Spread equals the strike price set at the time the option was sold, upon exercise by a put option buyer.

The buyer of one Soybean Meal Calendar Spread call option may exercise his option only upon option expiration, (subject to Rule 13B02.A), to assume a long position of one futures contract of a nearby specified contract month, and a short position of one futures contract of a deferred specified contract month at a strike price set at the time the option was purchased.

The seller of one Soybean Meal Calendar Spread call option incurs the obligation of assuming a short position of one futures contract of a nearby specified contract month and a long position of one futures contract of a deferred specified contract month at a combination of prices such that the Calendar Spread equals the strike price set at the time the option was sold, upon exercise by a call option buyer.

13B01.I. Termination of Trading

Subject to the provisions of rule 13B01.D no trades in Soybean Meal Calendar Spread options expiring in the current month shall be made after the close of trading of the electronic trading session on the day identical to the expiration of options corresponding to Soybean Meal Futures. Therefore, expiration will occur on the last Friday which precedes by at least two business days, the last business day of the month preceding that earliest expiring corresponding option month. If such Friday is not a business day, the last day of trading shall be the business day prior to such Friday. For example, the March-May Soybean Meal Calendar Spread Option (March Soybean Meal minus May Soybean Meal) will expire on the last Friday which precedes by at least two business days the last business day of February; the October-December Soybean Meal Calendar Spread Option (October Soybean Meal minus December

Soybean) will expire on the last Friday which precedes by at least two business days the last business day of September.

13B01.J. Contract Modification

Specifications shall be fixed as of the first day of trading of a contract except that all options must conform to government regulations in force at the time of exercise. If the U.S. government, an agency, or duly constituted body thereof issues an order, ruling, directive, or law inconsistent with these rules, such order, ruling, directive, or law shall be construed to become part of the rules and all open and new options contracts shall be subject to such government orders.

13B02. EXERCISE AND ASSIGNMENT

In addition to the applicable procedures and requirements of Chapter 7, the following shall apply to the ~~exercise and~~ assignment of Soybean Meal Calendar Spread Options.

~~**13B02.A. Exercise of Option**~~

~~The buyer of a Soybean Meal Calendar Spread option may exercise the option only on the business day such option expires by giving notice of exercise to the Clearing House by 5:30 p.m. Chicago time, or by such other time designated by the Exchange, on such day. In-the-money options that have not been liquidated or exercised on the last day of trading in such option shall be automatically exercised in the absence of contrary instructions delivered to the Clearing House by 5:30 p.m. Chicago time, or by such other time designated by the Exchange, on the last day of trading by the clearing member representing the option buyer.~~

The Soybean Meal Calendar Spread is calculated using final settlement values for the underlying contracts in the following formula: (Settlement Price of specified nearby Soybean Meal futures) – (Settlement Price of specified deferred Soybean Meal futures). An option is in-the-money if the settlement price of the underlying Calendar Spread is greater in the case of a call, or less in the case of a put, than the exercise price of the option.

~~**13B02.B. Assignment**~~

Exercise notices accepted by the Clearing House shall be assigned through a process of random selection to clearing members' open short positions in the same series. A clearing member to which an exercise notice is assigned shall be notified of the assignment as soon as practicable after such notice is assigned by the Clearing House.

Upon the exercise of a Soybean Meal Calendar Spread option the Clearing House assigns prices to the legs of the Soybean Meal Calendar Spread in the following manner:

- a. assigned nearby Soybean Oil Futures price equals the Soybean Meal Futures settlement price on the day of exercise,

b. assigned deferred Soybean Oil Futures price equals the nearby Soybean Meal Futures settlement price on the day of exercise minus the strike value of the option,

All such futures positions shall be marked to market in accordance with Rule 814 on the trading day of acceptance by the Clearing House of the exercise notice.

13B03. [RESERVED]

13B04. CORRECTIONS TO OPTIONS EXERCISES

Corrections to option exercises, including automatic exercises, may be accepted by the Clearing House after the 5:30 p.m. deadline and up to the beginning of final option expiration processing provided that such corrections are necessary due to: (1) a bona fide clerical error, (2) an un-reconciled Exchange option transaction(s), or (3) an extraordinary circumstance where the clearing firm and customer are unable to communicate final option exercise instructions prior to the deadline. The decision as to whether a correction is acceptable will be made by the President of the Clearing House, or the President's designee, and such decision will be final.

13B05. OPTION PREMIUM FLUCTUATION LIMITS

There are no option premium limits during any day for Soybean Meal Calendar Spread options.

13B06. PAYMENT OF OPTION PREMIUM

The option premium must be paid in full by each clearing member to the Clearing House and by each option customer to his futures commission merchant at the time that the option is purchased, or within a reasonable time after the option is purchased.

Chapter 14A

Options on Wheat Futures

14A00. SCOPE OF CHAPTER

This chapter is limited in application to put and call options on Wheat futures contracts. In addition to the rules of this chapter, transactions in options on Wheat futures shall be subject to the general rules of the Exchange insofar as applicable.

For purposes of this chapter, unless otherwise specified, times referred to herein shall refer to and indicate Chicago time.

14A01. OPTIONS CHARACTERISTICS

14A01.A. Contract Months

Trading may be conducted in the nearby Wheat futures options contract month and any succeeding months, provided however, that the Exchange may determine not to list a contract month. For options that are traded in months in which Wheat futures are not traded, the underlying futures contract is the next futures contract that is nearest to the expiration of the option. For example, the underlying futures contract for the February option contract is the March futures contract. For short dated options on new crop futures, the underlying futures contract is the July futures contract that is nearest to the expiration of the option.

14A01.B. Trading Unit

One 5,000 bushel Wheat futures contract of a specified contract month.

14A01.C. Minimum Fluctuations

The premium for Wheat futures options shall be in multiples of one-eighth (1/8) of one cent per bushel of a 5,000 bushel Wheat futures contract which shall equal \$6.25 per contract.

However, a position may be initiated or liquidated in Wheat futures options at a premium ranging from \$1.00 to \$6.00 in \$1.00 increments per option contract.

14A01.D. Trading Hours

The hours of trading for options on Wheat futures contracts shall be determined by the Exchange. Wheat futures options shall be opened and closed for all months and strike prices simultaneously or in such other manner as determined by the Exchange.

14A01.E. Exercise and Exercise Prices³

Transactions and exercise of options shall be conducted for option contracts as set forth in the [Strike Price Listing and Exercise Procedures Table](#).

~~Trading shall be conducted for put and call options with striking prices in integral multiples of five (5) cents and ten (10) cents per bushel per Wheat futures contract as follows:~~

~~1.~~

~~a. At the commencement of trading for each option contract, the Exchange shall list a strike closest to the previous day's settlement price of the underlying Wheat futures contract (the at-the-money strike), and strikes in integral multiples of ten cents in a range of 50 percent above and below the at-the-money strike. If the previous day's settlement price is midway between two strikes, the at-the-money strike shall be the larger of the two.~~

~~b. Over time, new ten-cent strikes will be added to ensure that all strikes within 50 percent of the previous day's settlement price in the underlying futures contract are listed.~~

~~2.~~

~~a. At the commencement of trading for weekly options, and for options that are traded in months in which Wheat futures are not traded, for short dated options on new crop futures, and for standard option months the business day they become the third listed month, the Exchange shall list a strike closest to the previous day's settlement price of the underlying Wheat futures contract (the at-the-money strike), and strikes in integral multiples of five cents in a range of 25 percent above and below the at-the-money strike. If the previous day's settlement price is midway between two strikes, the at-the-money strike shall be the larger of the two. For example, five-cent strike price intervals for the September contract would be added on the first business day after the expiration of the June options contract.~~

~~b. Over time, new five-cent strike prices will be added to ensure that all strikes within 25 percent of the previous day's settlement price in the underlying futures are listed.~~

~~3. All strikes will be listed prior to the opening of trading on the following business day. Upon demand and at the discretion of the Exchange, new out-of-current-range strike prices at regularly defined intervals may be added for trading on as soon as possible basis. The Exchange may modify the procedures for the introduction of strikes as it deems appropriate in order to respond to market conditions. As new 5 and 10~~

³ Revised April 2008, August 2008; December 2010.

~~cent strikes are added, existing strikes outside the newly determined strike ranges without open interest may be de-listed.~~

14A01.F. 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.

14A01.G. Reserved

14A01.H. Nature of Options on Wheat Futures

The buyer of one Wheat futures put option may exercise his option at any time prior to expiration (subject to Regulation 14A02.A.), to assume a short position in one Wheat futures contract of a specified contract month at a striking price set at the time the option was purchased. The seller of one Wheat futures put option incurs the obligation of assuming a long position in one Wheat futures contract of a specified contract month at a striking price set at the time the option was sold, upon exercise by a put option buyer.

The buyer of one Wheat futures call option may exercise his option at any time prior to expiration (subject to Rule 14A02.A.), to assume a long position in one Wheat futures contract of a specified contract month at a striking price set at the time the option was purchased. The seller of one Wheat futures call option incurs the obligation of assuming a short position in one Wheat futures contract of a specified contract month at a striking price set at the time the option was sold, upon exercise by a call option buyer.

14A01.I. Termination of Trading

14A01.I.1. Standard and Serial Options

The last day of trading in any standard or serial option for expiry in a given month shall be the last Friday which precedes by at least two business days the last business day of the calendar month preceding such option's named expiry month. If such Friday is not a business day, then the last day of trading in such option shall be the business day prior to such Friday.

On their last day of trading, expiring standard or serial options shall cease trading at the close of the electronic trading session for the corresponding Wheat futures contract, subject to the provisions of Rule 14A01.D.

14A01.I.2. Weekly Options

Any weekly option shall be designated to expire on a given Friday, provided however that no weekly option shall be designated to expire on any Friday that is also the last day of trading in a standard or serial option (Rule 14A01.I.1.). Trading in any weekly option shall terminate on the Friday on which such option is designated to expire. If such Friday is not a business day, then trading in weekly options designated for expiration on such Friday shall terminate on the business day prior to such Friday.

On their last day of trading, expiring weekly options shall cease trading at the close of the electronic trading session for the corresponding Wheat futures contract, subject to the provisions of Rule 14A01.D.

14A01.I.3. Short Dated Options on New Crop Futures

The last day of trading in any short dated option on new crop futures for expiry in a given month shall be the last Friday which precedes by at least two business days the last business day of the calendar month preceding such option's named expiry month. If such Friday is not a business day, then the last day of trading in such option shall be the business day prior to such Friday.

On their last day of trading, short dated options on new crop futures shall cease trading at the close of the electronic trading session for the corresponding Wheat futures contract, subject to the provisions of Rule 14A01.D.

14A01.I.4. Trading in Underlying Futures

In the event that the underlying futures market does not open on a day scheduled for option expiration, such option expiration shall occur on the next day on which the underlying futures market opens for trading.

14A01.J. Contract Modification

Specifications shall be fixed as of the first day of trading of a contract except that all options must conform to government regulations in force at the time of exercise. If the U.S. government, an agency, or duly constituted body thereof issues an order, ruling, directive, or law inconsistent with these rules, such order, ruling, directive, or law shall be construed to become part of the rules and all open and new options contracts shall be subject to such government orders.

14A02. EXERCISE AND ASSIGNMENT

In addition to the applicable procedures and requirements of Chapter 7, the following shall apply to the

~~exercise and assignment of Wheat Options.~~

~~**14A02.A. — Exercise of Option**~~

~~The buyer of a Wheat futures option may exercise the option on any business day prior to expiration by giving notice of exercise to the Clearing House by 5:30 p.m., or by such other time designated by the Exchange, on such day.~~

~~After the close on the last day of trading, all in-the-money options shall be automatically exercised, unless notice to cancel automatic exercise is given to the Clearing House. Notice to cancel automatic exercise shall be given to the Clearing House by 5:30 p.m., or by such other time designated by the Exchange, on the last day of trading.~~

~~Unexercised Wheat futures options shall expire at 5:30 p.m. on the last day of trading.~~

~~**14A02.B. — Assignment**~~

~~Exercise notices accepted by the Clearing House shall be assigned through a process of random selection to clearing members' open short positions in the same series. A clearing member to which an exercise notice is assigned shall be notified thereof as soon as practicable after such notice is assigned by the Clearing House.~~

~~The clearing member assigned an exercise notice shall be assigned a short position in the underlying futures contract if a call is exercised or a long position if a put is exercised. The clearing member representing the option buyer shall be assigned a long position in the underlying futures contract if a call is exercised and a short position if a put is exercised.~~

~~All such futures positions shall be assigned at a price equal to the exercise price of the option and shall be marked to market in accordance with Rule 814 on the trading day of acceptance by the Clearing House of the Exercise Notice.~~

14A03. [RESERVED]

14A04. CORRECTIONS TO OPTIONS EXERCISES

Corrections to option exercises, including automatic exercises, may be accepted by the Clearing House after the 6:00 p.m. deadline and up to the beginning of final option expiration processing provided that such corrections are necessary due to: (1) a bona fide clerical error, (2) an un-reconciled Exchange option transaction(s), or (3) an extraordinary circumstance where the clearing firm and customer are unable to communicate final option exercise instructions prior to the deadline. The decision as to whether a correction is acceptable will be made by the President of the Clearing House, or the President's designee, and such decision will be final.

14A05. OPTION PREMIUM LIMITS

There are no option premium limits during any day for options on Wheat futures.

14A06. PAYMENT OF OPTION PREMIUM

The option premium must be paid in full by each clearing member to the Clearing House and by each option customer to his futures commission merchant at the time that the option is purchased, or within a reasonable time after the option is purchased.

Chapter 14D Wheat Calendar Spread Options

14D00. SCOPE OF CHAPTER

This chapter is limited in application to put and call options on Wheat Futures Calendar Spreads. In addition to the rules of this chapter, transactions in Wheat Calendar Spread Options shall be subject to the general rules of the Exchange insofar as applicable.

[For purposes of this chapter, unless otherwise specified, times referred to herein shall refer to and indicate Chicago time.](#)

14D01. OPTIONS CHARACTERISTICS

14D01.A. Contract Months

Trading in Wheat Calendar Spread options may be scheduled in such months as determined by the Exchange.

14D01.B. Trading Unit

One Wheat Calendar Spread Option reflects one (1) Wheat futures contract of a specified nearby contract month, and one opposing Wheat futures contract of a specified deferred contract month on the Board of Trade of the City of Chicago, Inc.

The Wheat Calendar Spread is calculated in cents/bushel as:

Nearby Wheat futures price in cents/bushel – Deferred Wheat futures price in cents/bushel.

14D01.C. Minimum Fluctuations

The premium for Wheat Calendar Spread options shall be in multiples of one eighth (1/8) of one cent per bushel, or six dollars and twenty five cents (\$6.25) per contract.

However, a position may be initiated or liquidated in Wheat Calendar Spread options at premiums ranging from \$1.00 to \$6.00, in \$1.00 increments per option contract.

14D01.D. Trading Hours

The hours for trading of Wheat Calendar Spread options contracts shall be determined by the Exchange. Wheat Calendar Spread options shall be opened and closed for all months and strike prices simultaneously.

14D01.E. Exercise and Exercise Prices

[Transactions and exercise of options shall be conducted for option contracts as set forth in the Strike Price Listing and Exercise Procedures Table.](#)

~~Trading shall be conducted for put and call options on futures calendar spreads consisting of the nearby futures month and the next available futures month with strike prices in integral multiples of one cent per bushel per Wheat Calendar Spread option contract. Trading shall be conducted for put and call options on futures calendar spreads consisting of the nearby futures month and a futures month beyond the next available futures month with strike prices in integral multiples of five cents per bushel per Wheat Calendar Spread option contract. At the commencement of trading for such option contracts, the following strike prices shall be listed: one with a strike price closest to the previous day's Wheat Calendar Spread price settlement; the next ten consecutive higher and the next ten consecutive lower strike prices closest to the previous day's Wheat Calendar Spread price settlement. If the previous day's settlement price is midway between two strike prices, the closest price shall be the larger of the two. When a sale in the underlying Wheat Calendar Spread occurs at a price greater than or equal to the tenth largest strike price, a new strike price one increment higher than the existing strike prices will be added. When a sale in the underlying Wheat Calendar Spread occurs at a price less than or equal to the tenth smallest strike price, a new strike price one increment lower than the existing strike prices will be added. When a new strike price is added for an option contract month, the same strike price will be added to all option contract months for which that strike price is not already listed. All new strike prices will be added prior to the opening of trading on the following business day.~~

~~All strikes will be listed prior to the opening of trading on the following business day. Upon demand and at the discretion of the Exchange, new out-of-current range strike prices at regularly defined intervals may be added for trading on as soon as possible basis. The Exchange may modify the procedures for the introduction of strikes as it deems appropriate in order to respond to market conditions.~~

~~The Exchange may modify the procedure for the introduction of strike prices as it deems appropriate in order to respond to market conditions.~~

14D01.F. 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.

14D01.G. Reserved

14D01.H. Nature of Options on the Calendar Spreads

The buyer of one Wheat Calendar Spread put option may exercise his option only upon option expiration, (subject to Rule 14D02.A), to assume a short position of one futures contract of a nearby specified contract month, and a long position in one futures contract of a deferred specified contract month, at a strike price set at the time the option was purchased.

The seller of one Wheat Calendar Spread put option incurs the obligation of assuming a long position one futures contract of a nearby specified contract month, and a short position of one futures contract of a deferred specified contract month at a combination of prices such that the Calendar Spread equals the strike price set at the time the option was sold, upon exercise by a put option buyer.

The buyer of one Wheat Calendar Spread call option may exercise his option only upon option expiration, (subject to Rule 14D02.A), to assume a long position of one futures contract of a nearby specified contract month, and a short position of one futures contract of a deferred specified contract month at a strike price set at the time the option was purchased.

The seller of one Wheat Calendar Spread call option incurs the obligation of assuming a short position of one futures contract of a nearby specified contract month and a long position of one futures contract of a deferred specified contract month at a combination of prices such that the Calendar Spread equals the strike price set at the time the option was sold, upon exercise by a call option buyer.

14D01.I. Termination of Trading

Subject to the provisions of rule 14D01.D no trades in Wheat Calendar Spread options expiring in the current month shall be made after the close of trading of the electronic trading session on the day identical to the expiration of options corresponding to Wheat Futures. Therefore, expiration will occur on the last Friday which precedes by at least two business days, the last business day of the month preceding that earliest expiring corresponding option month. If such Friday is not a business day, the last day of trading shall be the business day prior to such Friday. For example, the March-May Wheat Calendar Spread Option (March Wheat minus May Wheat) will expire on the last Friday which precedes by at least two business days the last business day of February; the December-July Wheat Calendar Spread Option (December Wheat minus July Wheat) will expire on the last Friday which precedes by at least two business days the last business day of November.

14D01.J. Contract Modification

Specifications shall be fixed as of the first day of trading of a contract except that all options must conform to government regulations in force at the time of exercise. If the U.S. government, an agency, or duly constituted body thereof issues an order, ruling, directive, or law inconsistent with these rules, such order, ruling, directive, or law shall be construed to become part of the rules and all open and new options contracts shall be subject to such government orders.

14D02. EXERCISE AND ASSIGNMENT

In addition to the applicable procedures and requirements of Chapter 7, the following shall apply to the ~~exercise and assignment of Soybean-Wheat~~ Calendar Spread Options.

~~14D02.A. Exercise of Option~~

~~The buyer of a Wheat Calendar Spread option may exercise the option only on the business day such option expires by giving notice of exercise to the Clearing House by 5:30 p.m. Chicago time, or by such other time designated by the Exchange, on such day. In the money options that have not been liquidated or exercised on the last day of trading in such option shall be automatically exercised in the absence of contrary instructions delivered to the Clearing House by 5:30 p.m. Chicago time, or by such other time designated by the Exchange, on the last day of trading by the clearing member representing the option buyer.~~

The Wheat Calendar Spread is calculated using final settlement values for the underlying contracts in the following formula: (Settlement Price of specified nearby Wheat futures) – (Settlement Price of specified deferred Wheat futures). An option is in-the-money if the settlement price of the underlying Calendar Spread is greater in the case of a call, or less in the case of a put, than the exercise price of the option.

~~14D02.B. Assignment~~

Exercise notices accepted by the Clearing House shall be assigned through a process of random selection to clearing members' open short positions in the same series. A clearing member to which an exercise notice is assigned shall be notified of the assignment as soon as practicable after such notice is assigned by the Clearing House.

Upon the exercise of a Wheat Calendar Spread option the Clearing House assigns prices to the legs of the Wheat Calendar Spread in the following manner:

- a. assigned nearby Wheat Futures price equals the Wheat Futures settlement price on the day of exercise,

b. assigned deferred Wheat Futures price equals the nearby Wheat Futures settlement price on the day of exercise minus the strike value of the option,

All such futures positions shall be marked to market in accordance with Rule 814 on the trading day of acceptance by the Clearing House of the exercise notice.

14D03. [RESERVED]

14D04. CORRECTIONS TO OPTIONS EXERCISES

Corrections to option exercises, including automatic exercises, may be accepted by the Clearing House after the 5:30 p.m. deadline and up to the beginning of final option expiration processing provided that such corrections are necessary due to: (1) a bona fide clerical error, (2) an un-reconciled Exchange option transaction(s), or (3) an extraordinary circumstance where the clearing firm and customer are unable to communicate final option exercise instructions prior to the deadline. The decision as to whether a correction is acceptable will be made by the President of the Clearing House, or the President's designee, and such decision will be final.

14D05. OPTION PREMIUM FLUCTUATION LIMITS

There are no option premium limits during any day for Wheat Calendar Spread options.

14D06. PAYMENT OF OPTION PREMIUM

The option premium must be paid in full by each clearing member to the Clearing House and by each option customer to his futures commission merchant at the time that the option is purchased, or within a reasonable time after the option is purchased.

Chapter 14E

MGEX-CBOT Wheat Intercommodity Spread Options

14E00. SCOPE OF CHAPTER

This chapter is limited in application to put and call options on MGEX-CBOT Wheat Intercommodity spreads. In addition to the rules of this chapter, transactions in MGEX-CBOT Wheat Intercommodity spread options shall be subject to the general rules of the Exchange insofar as applicable.

[For purposes of this chapter, unless otherwise specified, times referred to herein shall refer to and indicate Chicago time.](#)

14E01. OPTIONS CHARACTERISTICS

14E01.A. Contract Months

Trading in MGEX-CBOT Wheat Intercommodity spread options may be scheduled in such months as determined by the Exchange.

14E01.B. Trading Unit

One MGEX-CBOT Wheat Intercommodity spread option reflects the difference between the settlement price of one (1) MGEX Wheat futures contract of a specified contract month on the Minneapolis Grain Exchange, Inc, and one (1) CBOT Wheat futures contract of a specified contract month on the Board of Trade of the City of Chicago, Inc.

The MGEX-CBOT Wheat Intercommodity spread is calculated in cents/bushel as:

MGEX Wheat futures price in cents/bu – CBOT Wheat futures price in cents/bu.

14E01.C. Minimum Fluctuations

The premium for MGEX-CBOT Wheat Intercommodity spread options shall be in multiples of one-eighth (1/8) of one cent per bushel, or six dollars and twenty five cents (\$6.250) per contract.

However, a position may be initiated or liquidated in MGEX-CBOT Wheat Intercommodity spread options at premiums ranging from \$1.00 to \$6.00, in \$1.00 increments per option contract.

14E01.D. Trading Hours

The hours for trading of MGEX-CBOT Wheat Intercommodity spread options contracts shall be determined by the Exchange. MGEX-CBOT Wheat Intercommodity spread options shall be opened and closed for all months and strike prices simultaneously.

14E01.E. Exercise and Exercise Prices

Transactions and exercise of options shall be conducted for option contracts as set forth in the [Strike Price Listing and Exercise Procedures Table](#).

~~Trading shall be conducted for put and call options with strike prices in integral multiples of five cents per bushel per MGEX-CBOT Wheat Intercommodity spread option. At the commencement of trading for such option contracts, the following strike prices shall be listed: one with a strike price closest to the difference between the previous day's specified MGEX-CBOT Wheat settlement prices (the at-the-money strike); the next ten consecutive higher and the next ten consecutive lower strike prices from the at-the-money strike. If the difference between the previous day's settlement prices is midway between two strike prices, the closest price shall be the larger of the two. New strike prices will be added through time to assure ten strikes above and below the at-the-money strike. When a new strike price is added for an option contract month, the same strike price will be added to all option contract months for which that strike price is not already listed.~~

~~All strikes will be listed prior to the opening of trading on the following business day. Upon demand and at the discretion of the Exchange, new out-of-current range strike prices at regularly defined intervals may be added for trading on as soon as possible basis.~~

~~The Exchange may modify the procedures for the introduction of strikes as it deems appropriate in order to respond to market conditions.~~

14E01.F. 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.

14E01.G. Reserved

14E01.H. Reserved

14E01.I. Termination of Trading

Subject to the provisions of rule 14E01.D no trades in MGEX-CBOT Wheat Intercommodity spread options expiring in the current month shall be made after the close of trading of the electronic trading session on the

day identical to the expiration of standard CBOT Wheat options and standard MGEX wheat options. Therefore, expiration will occur on the last Friday which precedes by at least two business days, the last business day of the month preceding the option month. If such Friday is not a business day, the last day of trading shall be the business day prior to such Friday. For example, the July MGEX-CBOT Wheat Intercommodity spread option (July MGEX wheat minus July CBOT wheat) will expire on the last Friday which precedes by at least two business days the last business day of June; the December-December MGEX-CBOT Wheat Intercommodity spread option (December MGEX wheat minus December CBOT wheat) will expire on the last Friday which precedes by at least two business days the last business day of November.

14E01.J. Contract Modification

Specifications shall be fixed as of the first day of trading of a contract except that all options must conform to government regulations in force at the time of exercise. If the U.S. government, an agency, or duly constituted body thereof issues an order, ruling, directive, or law inconsistent with these rules, such order, ruling, directive, or law shall be construed to become part of the rules and all open and new options contracts shall be subject to such government orders.

14E02. [RESERVED]EXERCISE

~~MGEX-CBOT Wheat Intercommodity spread options will be cash settled on expiration day.~~

~~MGEX-CBOT Wheat Intercommodity spread options cannot be exercised at any time during the life of the option.~~

14E03. [RESERVED]

14E04. [RESERVED]

14E05. OPTION PREMIUM FLUCTUATION LIMITS

There are no option premium limits during any day for MGEX-CBOT Wheat Intercommodity Spread options.

14E06. PAYMENT OF OPTION PREMIUM

The option premium must be paid in full by each clearing member to the Clearing House and by each option customer to his futures commission merchant at the time that the option is purchased, or within a reasonable time after the option.

Chapter 14G

KC HRW Wheat-Wheat Intercommodity Spread Options

14G00. SCOPE OF CHAPTER

This chapter is limited in application to put and call options on KC HRW Wheat–Wheat Intercommodity Spreads. In addition to the rules of this chapter, transactions in KC HRW Wheat–Wheat Intercommodity Spread Options shall be subject to the general rules of the Exchange insofar as applicable.

[For purposes of this chapter, unless otherwise specified, times referred to herein shall refer to and indicate Chicago time.](#)

14G01. OPTIONS CHARACTERISTICS

14G01.A. Contract Months

Trading in KC HRW Wheat–Wheat Intercommodity Spread options may be scheduled in such months as determined by the Exchange.

14G01.B. Trading Unit

One KC HRW Wheat–Wheat Intercommodity Spread Option reflects one (1) KC HRW Wheat futures (CBOT Rulebook Chapter 14H) contract of a specified contract month, and one (1) opposing Wheat futures (CBOT Rulebook Chapter 14) contract of a specified contract month on the Board of Trade of the City of Chicago, Inc.

The KC HRW Wheat–Wheat Intercommodity Spread is calculated in cents/bushel as:

KC HRW Wheat futures price in cents/bu. – Wheat futures price in cents/bu.

14G01.C. Minimum Fluctuations

The premium for KC HRW Wheat–Wheat Intercommodity Spread options shall be in multiples of one-eighth (1/8) of one cent per bushel, or six dollars and twenty-five cents (\$6.250) per contract.

However, a position may be initiated or liquidated in KC HRW Wheat–Wheat Intercommodity Spread options at premiums ranging from \$1.00 to \$6.00, in \$1.00 increments per option contract.

14G01.D. Trading Hours

The hours for trading of KC HRW Wheat–Wheat Intercommodity Spread options contracts shall be determined by the Exchange. KC HRW Wheat–Wheat Intercommodity Spread options shall be opened and closed for all months and strike prices simultaneously.

14G01.E. Exercise and Exercise Prices

[Transactions and exercise of options shall be conducted for option contracts as set forth in the Strike Price Listing and Exercise Procedures Table.](#)

~~Trading shall be conducted for put and call options with strike prices in integral multiples of five cents per bushel per KC HRW Wheat–Wheat Intercommodity Spread contract. At the commencement of trading for such option contracts, the following strike prices shall be listed: one with a strike price closest to the previous day's KC HRW Wheat–Wheat Intercommodity Spread price settlement; the next ten consecutive higher and the next ten consecutive lower strike prices closest to the previous day's KC HRW Wheat–Wheat Intercommodity Spread price settlement. If the previous day's settlement price is midway between two strike prices, the closest price shall be the larger of the two. When a trade in the underlying KC HRW Wheat–Wheat Intercommodity Spread occurs at a price greater than or equal to the tenth largest strike price, a new strike price one increment higher than the existing strike prices will be added. When a sale in the underlying KC HRW Wheat–Wheat Intercommodity Spread occurs at a price less than or equal to the tenth smallest strike price, a new strike price one increment lower than the existing strike prices will be added. When a new strike price is added for an option contract month, the same strike price will be added to all option contract months for which that strike price is not already listed.~~

~~All strikes will be listed prior to the opening of trading on the following business day. Upon demand and at the discretion of the Exchange, new out-of-current-range strike prices at regularly defined intervals may be added for trading on as soon as possible basis.~~

~~The Exchange may modify the procedures for the introduction of strikes as it deems appropriate in order to respond to market conditions.~~

14G01.F. 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.

14G01.G. Reserved

14G01.H. Nature of Options on the Intercommodity Spreads

The buyer of one KC HRW Wheat–Wheat Intercommodity Spread put option may exercise his option only upon option expiration, (subject to Rule 14P02.A), to assume a short position of one KC HRW Wheat futures contract of a specified contract month, and a long position in one Wheat futures contract of a specified contract month, at a strike price set at the time the option was purchased.

The seller of one KC HRW Wheat–Wheat Intercommodity Spread put option incurs the obligation of assuming a long position of one KC HRW Wheat futures contract of a specified contract month, and a short position of one Wheat futures contract of a specified contract month at a combination of prices such that the Intercommodity Spread equals the strike price set at the time the option was sold, upon exercise by a put option buyer.

The buyer of one KC HRW Wheat–Wheat Intercommodity Spread call option may exercise his option only upon option expiration, (subject to Rule 14P02.A), to assume a long position of one KC HRW Wheat futures contract of a specified contract month, and a short position of one Wheat futures contract of a specified contract month at a strike price set at the time the option was purchased.

The seller of one KC HRW Wheat–Wheat Intercommodity Spread call option incurs the obligation of assuming a short position of one KC HRW Wheat futures contract of a specified contract month and a long position of one Wheat futures contract of a specified contract month at a combination of prices such that the Intercommodity Spread equals the strike price set at the time the option was sold, upon exercise by a call option buyer.

14G01.I. Termination of Trading

Subject to the provisions of rule 14P01.D no trades in KC HRW Wheat–Wheat Intercommodity Spread options expiring in the current month shall be made after the close of trading of the electronic trading session on the day identical to the expiration of standard KC HRW Wheat and Wheat options. Therefore, expiration will occur on the last Friday which precedes by at least two business days, the last business day of the month preceding the option month. If such Friday is not a business day, the last day of trading shall be the business day prior to such Friday. For example, the July KC HRW Wheat–Wheat Intercommodity Spread Option (July KC HRW Wheat minus July Wheat) will expire on the last Friday which precedes by at least two business days the last business day of June; the December-December KC HRW Wheat–Wheat Intercommodity Spread Option (December KC HRW Wheat minus December Wheat) will expire on the last Friday which precedes by at least two business days the last business day of November.

14G01.J. Contract Modification

Specifications shall be fixed as of the first day of trading of a contract except that all options must conform to government regulations in force at the time of exercise. If the U.S. government, an agency, or duly constituted body thereof issues an order, ruling, directive, or law inconsistent with these rules, such order, ruling, directive, or law shall be construed to become part of the rules and all open and new options contracts shall be subject to such government orders.

14G02. EXERCISE AND ASSIGNMENT

In addition to the applicable procedures and requirements of Chapter 7, the following shall apply to the ~~exercise and~~ assignment of KC HRW Wheat–Wheat Intercommodity Spread Options.

~~**14G02.A. Exercise of Option**~~

~~The buyer of a KC HRW Wheat–Wheat Intercommodity Spread option may exercise the option only on the business day such option expires by giving notice of exercise to the Clearing House by 5:30 p.m. Chicago time, or by such other time designated by the Exchange, on such day. In the money options that have not been liquidated or exercised on the last day of trading in such option shall be automatically exercised in the absence of contrary instructions delivered to the Clearing House by 5:30 p.m. Chicago time, or by such other time designated by the Exchange, on the last day of trading by the clearing member representing the option buyer.~~

The KC HRW Wheat–Wheat Intercommodity Spread is calculated using final settlement values for the underlying contracts in the following formula: (Settlement Price of specified KC HRW Wheat futures) – (Settlement Price of specified Wheat futures). An option is in-the-money if the settlement price of the underlying Intercommodity Spread is less in the case of a put, or greater in the case of a call, than the exercise price of the option.

14G02.B. — Assignment

Exercise notices accepted by the Clearing House shall be assigned through a process of random selection to clearing members' open short positions in the same series. A clearing member to which an exercise notice is assigned shall be notified of the assignment as soon as practicable after such notice is assigned by the Clearing House.

Upon the exercise of a KC HRW Wheat–Wheat Intercommodity Spread option the Clearing House assigns prices to the legs of the KC HRW Wheat–Wheat Intercommodity Spread in the following manner:

- a. assigned KC HRW Wheat Futures price equals the KC HRW Wheat Futures settlement price on the day of exercise,
- b. assigned Wheat Futures price equals the KC HRW Wheat Futures settlement price on the day of exercise minus the strike value of the option,

All such futures positions shall be marked to market in accordance with Rule 814 on the trading day of acceptance by the Clearing House of the exercise notice.

14G03. [RESERVED]

14G04. CORRECTIONS TO OPTIONS EXERCISES

Corrections to option exercises, including automatic exercises, may be accepted by the Clearing House after the 5:30 p.m. deadline and up to the beginning of final option expiration processing provided that such corrections are necessary due to: (1) a bona fide clerical error, (2) an un-reconciled Exchange option transaction(s), or (3) an extraordinary circumstance where the clearing firm and customer are unable to communicate final option exercise instructions prior to the deadline. The decision as to whether a correction is acceptable will be made by the President of the Clearing House, or the President's designee, and such decision will be final.

14G05. OPTION PREMIUM FLUCTUATION LIMITS

There are no option premium limits during any day for KC HRW Wheat–Wheat Intercommodity Spread options.

14G06. PAYMENT OF OPTION PREMIUM

The option premium must be paid in full by each clearing member to the Clearing House and by each option customer to his futures commission merchant at the time that the option is purchased, or within a reasonable time after the option.

Chapter 14K

MGEX-KC HRW Wheat Intercommodity Spread Options

14K00. SCOPE OF CHAPTER

This chapter is limited in application to put and call options on MGEX-KC HRW Wheat Intercommodity spreads. In addition to the rules of this chapter, transactions in MGEX-KC HRW wheat spread options shall be subject to the general rules of the Exchange insofar as applicable.

[For purposes of this chapter, unless otherwise specified, times referred to herein shall refer to and indicate Chicago time.](#)

14K01. OPTIONS CHARACTERISTICS

14K01.A. Contract Months

Trading in MGEX-KC HRW Wheat Intercommodity spread options may be scheduled in such months as determined by the Exchange.

14K01.B. Trading Unit

One MGEX-KC HRW Wheat Intercommodity spread option reflects the difference between the settlement price of one (1) MGEX Wheat futures contract of a specified contract month on the Minneapolis Grain Exchange, Inc, and one (1) KC HRW Wheat futures contract of a specified contract month on the Board of Trade of the City of Chicago, Inc.

The MGEX-KC HRW Wheat Intercommodity spread is calculated in cents/bushel as:

MGEX Wheat futures price in cents/bu – KC HRW Wheat futures price in cents/bu.

14K01.C. Minimum Fluctuations

The premium for MGEX-KC HRW Wheat Intercommodity spread options shall be in multiples of one-eighth (1/8) of one cent per bushel, or six dollars and twenty five cents (\$6.250) per contract.

However, a position may be initiated or liquidated in MGEX-KC HRW Wheat Intercommodity spread options at premiums ranging from \$1.00 to \$6.00, in \$1.00 increments per option contract.

14K01.D. Trading Hours

The hours for trading of MGEX-KC HRW Wheat Intercommodity spread options contracts shall be determined by the Exchange. MGEX-KC HRW Wheat Intercommodity spread options shall be opened and closed for all months and strike prices simultaneously.

14K01.E. Exercise and Exercise Prices

Transactions and exercise of options shall be conducted for option contracts as set forth in the [Strike Price Listing and Exercise Procedures Table](#).

~~Trading shall be conducted for put and call options with strike prices in integral multiples of five cents per bushel per MGEX-KC HRW Wheat Intercommodity spread option. At the commencement of trading for such option contracts, the following strike prices shall be listed: one with a strike price closest to the difference between the previous day's specified MGEX-KC HRW Wheat settlement prices (the at-the-money strike); the next ten consecutive higher and the next ten consecutive lower strike prices from the at-the-money strike. If the difference between the previous day's settlement prices is midway between two strike prices, the closest price shall be the larger of the two. New strike prices will be added through time to assure ten strikes above and below the at-the-money strike. When a new strike price is added for an option contract month, the same strike price will be added to all option contract months for which that strike price is not already listed.~~

~~All strikes will be listed prior to the opening of trading on the following business day. Upon demand and at the discretion of the Exchange, new out-of-current-range strike prices at regularly defined intervals may be added for trading on as soon as possible basis.~~

~~The Exchange may modify the procedures for the introduction of strikes as it deems appropriate in order to respond to market conditions.~~

14K01.F. 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.

14K01.G. Reserved

14K01.H. Reserved

14K01.I. Termination of Trading

Subject to the provisions of rule 14K01.D no trades in MGEX-KC HRW Wheat Intercommodity spread options expiring in the current month shall be made after the close of trading of the electronic trading session on the last Friday which precedes by at least two business days, the last business day of the month preceding the earliest expiring leg in the spread underlying the MGEX-KC HRW Wheat Intercommodity spread option. If such Friday is not a business day, the last day of trading shall be the business day prior to such Friday.

For example, the July MGEX-KC HRW Wheat Intercommodity spread option (July MGEX Wheat minus July KC HRW Wheat) will expire on the last Friday which precedes by at least two business days the last business day of June; the September MGEX-KC HRW Intercommodity spread option (September MGEX Wheat minus July KC HRW Wheat) will expire on the last Friday which precedes by at least two business days the last business day of June; the December-December MGEX-KC HRW Wheat Intercommodity spread option (December MGEX Wheat minus December KC HRW Wheat) will expire on the last Friday which precedes by at least two business days the last business day of November.

14K01.J. Contract Modification

Specifications shall be fixed as of the first day of trading of a contract except that all options must conform to government regulations in force at the time of exercise. If the U.S. government, an agency, or duly constituted body thereof issues an order, ruling, directive, or law inconsistent with these rules, such order, ruling, directive, or law shall be construed to become part of the rules and all open and new options contracts shall be subject to such government orders.

14K02. [RESERVED]EXERCISE

~~MGEX-KC HRW Wheat Intercommodity spread options will be cash settled on expiration day.~~

~~MGEX-KC HRW Wheat Intercommodity spread options cannot be exercised at any time during the life of the option.~~

14K03. [RESERVED]

14K04. [RESERVED]

14K05. OPTION PREMIUM FLUCTUATION LIMITS

There are no option premium limits during any day for MGEX-KC HRW Wheat Intercommodity Spread options.

14K06. PAYMENT OF OPTION PREMIUM

The option premium must be paid in full by each clearing member to the Clearing House and by each option customer to his futures commission merchant at the time.

Chapter 14L

Options on KC HRW Wheat Futures

14L00. SCOPE OF CHAPTER

This chapter is limited in application to put and call options on KC HRW Wheat futures contracts. In addition to the rules of this chapter, transactions in options on KC HRW Wheat futures shall be subject to the general rules of the Exchange insofar as applicable.

[For purposes of this chapter, unless otherwise specified, times referred to herein shall refer to and indicate Chicago time.](#)

14L01. OPTIONS CHARACTERISTICS

14L01.A. Contract Months

Options shall be listed for trading in the following months:

a. For options months in the ordinary cycle of the underlying futures contract (i.e., July, September, December, March and May), the number of months listed shall be the same as the underlying futures contract, provided, however, that a new option contract based on the ordinary cycle will be introduced the day after trading has commenced in the underlying futures pursuant to Rule 14L01.A.

b. For options months outside the ordinary cycle (i.e., August, October, November, January, February, April and June, hereinafter referred to as "serial" months), the number of months listed shall be established by the Exchange. However, no serial months shall be listed outside of the months listed pursuant to subsection (a) above.

c. Weekly options expire on every Friday, except for those Fridays on which standard or serial options are scheduled to expire. A new weekly option will automatically be introduced the business day following the expiration of a weekly option so that three weekly options are always listed concurrently.

d. For short-dated new crop options, on the first trading day following the expiration of the September option, list at least 3 contract months: December, March, and May. A new listing cycle will begin on the first trading day following the expiration of the next September option.

For options that expire in the ordinary cycle (i.e., July, September, December, March and May), the underlying futures contract is the futures contract corresponding to the option expiration month. For serial options (options outside the ordinary cycle), the underlying futures contract is the next futures contract in the ordinary cycle nearest the option expiration month. For example, the underlying futures contract for an option contract expiring in October or November is the December futures contract. For weekly options, the underlying futures contract is the nearby futures contract. However, if the nearby futures are still trading but the standard option on that futures has expired, then weekly options expire into the second-listed futures contract. For short-dated new crop options, the underlying futures contract is the July futures contract that is nearest to the expiration of the options.

A new option based on a futures month within the ordinary cycle will be introduced the day after trading has commenced in the underlying futures contract for that contract month, (for example — if on February 1, the December futures contract had traded for the first time, then on February 2, an option month for the December futures contract is listed, having strike prices as specified in Rule 14L01.E). A new option based on a serial month (a month outside of the ordinary cycle) will automatically be introduced the day following the expiration of a serial month, so as to at all times have available for trading the number of serial months established by the Exchange for trading, (for example, if the Exchange has authorized the listing of three serial months, and those months currently traded are January, February and April, then the serial contract month of June will automatically be listed for trading the day following the expiration of the January contract month). A new weekly option will automatically be introduced the business day following the expiration of a weekly option so that three weekly options are always listed concurrently. Weekly options expire on every Friday, except for those Fridays on which standard or serial options are scheduled to expire. On the business day following the expiration of standard or serial options, no new weekly option will be introduced. For short-dated new crop options, on the first trading day following expiration of the September option, list at least 3 contract months: December, March, and May.

14L01.B. Trading Unit

The size of the unit of trading in the options contract shall be five thousand (5,000) bushels, the same size as the underlying futures contract.

14L01.C. Minimum Fluctuations

Bids and offers for options shall be measured and expressed in increments of one-eighth of one cent (1/8¢) per bushel. However, for options valued at less than one-eighth of one cent (1/8¢), the option premium may range from \$1.00 to \$6.00 in \$1.00 increments per option contract.

14L01.D. Trading Hours

The hours of trading for options on KC HRW Wheat futures contracts shall be determined by the Exchange. KC HRW Wheat futures options shall be opened and closed for all months and strike prices simultaneously or in such other manner as determined by the Exchange.

14L01.E. Exercise and Exercise Prices

~~Transactions and exercise of options shall be conducted for option contracts as set forth in the [Strike Price Listing and Exercise Procedures Table](#).~~

~~At the commencement of trading a new standard option month, the following strike prices shall be listed: the strike price closest to the previous day's settlement price of the underlying futures contract (the at the money strike), and strikes in integral multiples of ten cents (10¢) per bushel in a range 50 percent above and below the at the money strike.~~

~~At the commencement of trading serial month options, weekly options and short-dated new crop options and for standard option months the business day they become the third listed month, the following strike prices shall be listed: the strike price closest to the previous day's settlement price of the underlying futures contract (the at the money strike), and strikes in integral multiples of five cents (5¢) per bushel in a range 25 percent above and below the at the money strike.~~

~~If the previous day's settlement price is midway between two strike prices, the closest price shall be the larger of the two. (For example — if a new futures month contract closes at \$3.75, the closest price is \$3.80.) The Exchange may modify the procedures for the introduction of strikes as it deems appropriate in order to respond to market conditions.~~

~~Any close which causes there to be less than the range of strike prices prescribed by Rule 14L01.E will cause new strike prices to be added the next day in order to have at least the range of strike prices pursuant to Rule 14L01.E available for trading. Upon demand and at the discretion of the Exchange, new out-of-current-range strike prices at regularly defined intervals may be added for trading on as soon as possible basis. The Exchange may modify the procedures for the introduction of strikes as it deems appropriate in order to respond to market conditions.~~

~~As new strike prices are added, existing strikes outside the newly determined strike ranges without open interest may be de-listed.~~

14L01.F. 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.

14L01.G. Reserved

14L01.H. Nature of Options on KC HRW Wheat Futures

The "option premium" shall be the sum paid to the writer of a call option who agrees to deliver the underlying futures contracts against payment of the exercise price upon being assigned an exercise notice. The premium with respect to the writer of a put option is the sum paid to the writer of the put option who agrees to purchase the underlying futures contract on which the put is written at the exercise price upon being assigned an exercise notice. Both put options and call options may be written.

The Clearing House must receive from each of its Clearing Members, and each Clearing Member must receive from each other party for whom it clears commodity option transactions, and each FCM must receive from each of its option customers, the full amount of each option premium at the time the option is purchased, or within a reasonable time thereafter.

The strike price is the price at which a party may purchase or sell the underlying futures contract upon exercise of an option. The strike price will be determined in accordance with the following Rules.

14L01.I. Termination of Trading

a. For options months in the ordinary cycle; no trades in options expiring in the current month shall be made after the close of the electronic trading system on the last Friday which precedes by at least two (2) business days, the first notice day for the corresponding futures contract.

b. For serial options months (months outside the ordinary cycle); no trades shall be made after the close of the electronic trading session on the Friday which precedes by at least two (2) business days, the last business day of the calendar month immediately preceding the option serial month, (for example, for November serial options contracts, the last trading day is the Friday which precedes by at least two (2) business days, the last business day in October). If such Friday is not a business day, the last day of trading shall be the business day prior to such Friday. Unexercised options shall expire at 5:30 p.m. on the last day of trading.

c. For weekly options; no trades in weekly options shall be made after the close of the electronic trading system on the Friday such a weekly option expires. If such Friday is not a business day, the last day of trading shall be the business day prior to such Friday. Unexercised options shall expire at 5:30 p.m. on the last day of trading.

d. For short-dated new crop options, the last day of trading in any option for expiry in a given month shall be the last Friday which precedes by at least two business days the last business day of the calendar month preceding such option's named expiry month. If such Friday is not a business day, then the last day of trading in such option shall be the business day prior to such Friday. On their last day of trading, short-dated new crop options shall cease trading at the same time that its corresponding futures contract ceases trading. Unexercised options shall expire at 5:30 p.m. on the last day of trading.

14L01.J. Settlement of Trades

Trades made in put and call options shall be settled at the end of each day's trading. Positions in the underlying futures contracts as a result of the exercise of options shall be made by book entry in the books of the Clearing House.

14L01.K. Deep-Out-Of-The-Money Options

1. A deep out-of-the-money option is defined as an out-of-the-money option whose strike price is more than X strike prices distant from the strike price closest to the settlement price of the underlying futures contract, where X equals two (2) plus the number of calendar months remaining until option expiration;
2. However, the Exchange Board may impose additional criteria as appropriate;
3. No Permit Holder who is a FCM shall accept an order for a deep out-of-the-money option without providing the customer with an explanation of the nature and the risks of the option prior to the transaction.

14L02. EXERCISE AND ASSIGNMENT

In addition to the applicable procedures and requirements of Chapter 7, the following shall apply to the ~~exercise and~~ assignment of KC HRW Wheat Options.

~~14L02.A. Exercise of Option~~

~~The buyer of a KC HRW Wheat futures option may exercise the option on any business day prior to expiration by giving notice of exercise to the Clearing House by 5:30 p.m., or by such other time designated by the Exchange, on such day.~~

~~After the close on the last day of trading, all in-the-money options shall be automatically exercised, unless notice to cancel automatic exercise is given to the Clearing House. Notice to cancel automatic exercise shall be given to the Clearing House by 5:30 p.m., or by such other time designated by the Exchange, on the last day of trading. Unexercised KC HRW Wheat futures options shall expire at 5:30 p.m. on the last day of trading.~~

~~14L02.B. Assignment~~

Exercise notices accepted by the Clearing House shall be assigned through a process of random selection to clearing members' open short positions in the same series. A clearing member to which an exercise notice is assigned shall be notified thereof as soon as practicable after such notice is assigned by the Clearing House.

The clearing member assigned an exercise notice shall be assigned a short position in the underlying futures contract if a call is exercised or a long position if a put is exercised. The clearing member representing the option buyer shall be assigned a long position in the underlying futures contract if a call is exercised and a short position if a put is exercised.

All such futures positions shall be assigned at a price equal to the exercise price of the option and shall be marked to market in accordance with Rule 814 on the trading day of acceptance by the Clearing House of the Exercise Notice.

14L03. [RESERVED]

14L04. CORRECTIONS TO OPTIONS EXERCISES

Corrections to option exercises, including automatic exercises, may be accepted by the Clearing House after the 5:30 p.m. deadline and up to the beginning of final option expiration processing provided that such corrections are necessary due to: (1) a bona fide clerical error, (2) an un-reconciled Exchange option transaction(s), or (3) an extraordinary circumstance where the clearing firm and customer are unable to communicate final option exercise instructions prior to the deadline. The decision as to whether a correction is acceptable will be made by the President of the Clearing House, or the President's designee, and such decision will be final.

14L05. OPTION PREMIUM LIMITS

There are no option premium limits during any day for options on KC HRW Wheat futures.

14L06. PAYMENT OF OPTION PREMIUM

The option premium must be paid in full by each clearing member to the Clearing House and by each option customer to his futures commission merchant at the time that the option is purchased, or within a reasonable time after the option is purchased.

Chapter 14M

KC HRW Wheat Calendar Spread Options

14M00. SCOPE OF CHAPTER

This chapter is limited in application to put and call options on KC HRW Wheat Futures Calendar Spreads. In addition to the rules of this chapter, transactions in KC HRW Wheat Calendar Spread Options shall be subject to the general rules of the Exchange insofar as applicable.

For purposes of this chapter, unless otherwise specified, times referred to herein shall refer to and indicate Chicago time.

14M01. OPTIONS CHARACTERISTICS

14M01.A. Contract Months

Trading in KC HRW Wheat Calendar Spread options may be scheduled in such months as determined by the Exchange.

14M01.B. Trading Unit

One KC HRW Wheat Calendar Spread Option reflects one (1) KC HRW Wheat futures contract of a specified nearby contract month, and one opposing KC HRW Wheat futures contract of a specified deferred contract month on The Board of Trade of the City of Chicago, Inc.

The Calendar Spread is calculated in cents/bushel as:

Nearby futures price in cents/bushel – Deferred futures price in cents/bushel.

14M01.C. Minimum Fluctuations

The premium for KC HRW Wheat Calendar Spread options shall be in multiples of one eighth (1/8) of one cent per bushel, or six dollars and twenty five cents (\$6.25) per contract.

However, a position may be initiated or liquidated in KC HRW Wheat Calendar Spread options at premiums ranging from \$1.00 to \$6.00, in \$1.00 increments per option contract.

14M01.D. Trading Hours

The hours for trading of KC HRW Wheat Calendar Spread options contracts shall be determined by the Exchange. KC HRW Wheat Calendar Spread options shall be opened and closed for all months and strike prices simultaneously.

14M01.E. Exercise and Exercise Prices

Transactions and exercise of options shall be conducted for option contracts as set forth in the [Strike Price Listing and Exercise Procedures Table](#).

~~Trading shall be conducted for put and call options on futures calendar spreads consisting of the nearby futures month and the next available futures month with strike prices in integral multiples of one cent per bushel per Calendar Spread option contract. Trading shall be conducted for put and call options on futures calendar spreads consisting of the nearby futures month and a futures month beyond the next available futures month with strike prices in integral multiples of five cents per bushel per Calendar Spread option contract. At the commencement of trading for such option contracts, the following strike prices shall be listed: one with a strike price closest to the previous day's Calendar Spread price settlement; the next ten consecutive higher and the next ten consecutive lower strike prices closest to the previous day's Calendar Spread price settlement. If the previous day's settlement price is midway between two strike prices, the closest price shall be the larger of the two. When a sale in the underlying Calendar Spread occurs at a price greater than or equal to the tenth largest strike price, a new strike price one increment higher than the existing strike prices will be added. When a sale in the underlying Calendar Spread occurs at a price less than or equal to the tenth smallest strike price, a new strike price one increment lower than the existing strike prices will be added. When a new strike price is added for an option contract month, the same strike price will be added to all option contract months for which that strike price is not already listed. All new strike prices will be added prior to the opening of trading on the following business day.~~

~~All strikes will be listed prior to the opening of trading on the following business day. Upon demand and at the discretion of the Exchange, new out-of-current-range strike prices at regularly defined intervals may be added for trading on as soon as possible basis. The Exchange may modify the procedures for the introduction of strikes as it deems appropriate in order to respond to market conditions.~~

14M01.F. 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.

14M01.G. Reserved

14M01.H. Nature of Options on the Calendar Spreads

The buyer of one KC HRW Wheat Calendar Spread put option may exercise his option only upon option expiration, (subject to Rule 14M02.A), to assume a short position of one futures contract of a nearby specified contract month, and a long position in one futures contract of a deferred specified contract month at a combination of prices such that the Calendar Spread equals the strike price set at the time the option was purchased.

The seller of one KC HRW Wheat Calendar Spread put option incurs the obligation of assuming a long position one futures contract of a nearby specified contract month, and a short position of one futures contract of a deferred specified contract month at a combination of prices such that the Calendar Spread equals the strike price set at the time the option was sold, upon exercise by a put option buyer.

The buyer of one KC HRW Wheat Calendar Spread call option may exercise his option only upon option expiration, (subject to Rule 14M02.A), to assume a long position of one futures contract of a nearby specified contract month, and a short position of one futures contract of a deferred specified contract month at a combination of prices such that the Calendar Spread equals the strike price set at the time the option was purchased.

The seller of one KC HRW Wheat Calendar Spread call option incurs the obligation of assuming a short position of one futures contract of a nearby specified contract month and a long position of one futures contract of a deferred specified contract month at a combination of prices such that the Calendar Spread equals the strike price set at the time the option was sold, upon exercise by a call option buyer.

14M01.I. Termination of Trading

Subject to the provisions of rule 14M01.D no trades in KC HRW Wheat Calendar Spread options expiring in the current month shall be made after the close of trading of the electronic trading session on the day identical to the expiration of options corresponding to KC HRW Wheat Futures. Therefore, expiration will occur on the last Friday which precedes by at least two business days, the last business day of the month preceding that earliest expiring corresponding option month. If such Friday is not a business day, the last day of trading shall be the business day prior to such Friday. For example, the March-May KC HRW Wheat Calendar Spread Option (March Wheat minus May Wheat) will expire on the last Friday which precedes by at least two business days the last business day of February; the December-July KC HRW Wheat Calendar Spread Option (December Wheat minus July Wheat) will expire on the last Friday which precedes by at least two business days the last business day of November.

14M01.J. Contract Modification

Specifications shall be fixed as of the first day of trading of a contract except that all options must conform to government regulations in force at the time of exercise. If the U.S. government, an agency, or duly constituted body thereof issues an order, ruling, directive, or law inconsistent with these rules, such order, ruling, directive, or law shall be construed to become part of the rules and all open and new options contracts shall be subject to such government orders.

14M02. EXERCISE AND ASSIGNMENT

In addition to the applicable procedures and requirements of Chapter 7 and Chapter 14H, the following shall apply to the ~~exercise and~~ assignment of KC HRW Wheat Calendar Spread Options.

~~14M02.A. Exercise of Option~~

~~The buyer of a KC HRW Wheat Calendar Spread option may exercise the option only on the business day such option expires by giving notice of exercise to the Clearing House by 5:30 p.m. Chicago time, or by such other time designated by the Exchange, on such day. In-the-money options that have not been liquidated or exercised on the last day of trading in such option shall be automatically exercised in the absence of contrary instructions delivered to the Clearing House by 5:30 p.m. Chicago time, or by such other time designated by the Exchange, on the last day of trading by the clearing member representing the option buyer.~~

The KC HRW Wheat Calendar Spread is calculated using final settlement values for the underlying contracts in the following formula: (Settlement Price of specified nearby KC HRW Wheat futures) – (Settlement Price of specified deferred KC HRW Wheat futures). An option is in-the-money if the settlement price of the underlying Calendar Spread is greater in the case of a call, or less in the case of a put, than the exercise price of the option.

14M02.B. Assignment

Exercise notices accepted by the Clearing House shall be assigned through a process of random selection to clearing members' open short positions in the same series. A clearing member to which an exercise notice is assigned shall be notified of the assignment as soon as practicable after such notice is assigned by the Clearing House.

Upon the exercise of a KC HRW Wheat Calendar Spread option the Clearing House assigns prices to the legs of the KC HRW Wheat Calendar Spread in the following manner:

a. assigned nearby KC HRW Wheat Futures price equals the KC HRW Wheat Futures settlement price on the day of exercise,

b. assigned deferred KC HRW Wheat Futures price equals the nearby KC HRW Wheat Futures settlement price on the day of exercise minus the strike value of the option.

All such futures positions shall be marked to market in accordance with Rule 814 on the trading day of acceptance by the Clearing House of the exercise notice.

14M03. [RESERVED]

14M04. CORRECTIONS TO OPTIONS EXERCISES

Corrections to option exercises, including automatic exercises, may be accepted by the Clearing House after the 5:30 p.m. deadline and up to the beginning of final option expiration processing provided that such corrections are necessary due to: (1) a bona fide clerical error, (2) an un-reconciled Exchange option transaction(s), or (3) an extraordinary circumstance where the clearing firm and customer are unable to communicate final option exercise instructions prior to the deadline. The decision as to whether a correction is acceptable will be made by the President of the Clearing House, or the President's designee, and such decision will be final.

14M05. OPTION PREMIUM FLUCTUATION LIMITS

There are no option premium limits during any day for KC HRW Wheat Calendar Spread options.

14M06. PAYMENT OF OPTION PREMIUM

The option premium must be paid in full by each clearing member to the Clearing House and by each option customer to his futures commission merchant at the time that the option is purchased, or within a reasonable time after the option is purchased.

Chapter 14T

Options on Black Sea Wheat Financially Settled (Platts) Futures

14T100. SCOPE OF CHAPTER

This chapter is limited in application to put and call options on Black Sea Wheat Financially Settled (Platts) futures contracts. In addition to the rules of this chapter, transactions in options on Black Sea Wheat Financially Settled (Platts) futures shall be subject to the general rules of Exchange insofar as applicable.

[For purposes of this chapter, unless otherwise specified, times referred to herein shall refer to and indicate Chicago time.](#)

14T101. OPTION CHARACTERISTICS

14T101.A. Contract Months

Trading may be scheduled in such months as determined by the Exchange and the number of months open for trading at a given time shall also be determined by the Exchange.

14T101.B. Trading Unit

Each option reflects one fifty (50) metric tons Black Sea Wheat Financially Settled (Platts) futures contract with the same contract month.

14T101.C. Minimum Fluctuations

Prices shall be quoted in U.S. dollars and cents per metric ton. The minimum price fluctuation shall be \$0.05 per metric ton or \$2.50 per contract.

However, a position may be initiated or liquidated at a premium of \$1.00 per option contract.

14T101.D. Trading Hours

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

14T101.E. Exercise and Exercise Prices

[Transactions and exercise of options shall be conducted for option contracts as set forth in the Strike Price Listing and Exercise Procedures Table.](#)

~~Trading shall be conducted for call and put options with strike prices in integral multiples of \$2.50 per metric ton. New strike prices at regularly defined intervals shall be added for trading on an as-needed basis.~~

14T101.F. 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.

14T101.G. Nature of Option

~~Options on Black Sea Wheat Financially Settled (Platts) futures contracts are American-Style expiry options and may be exercised by the buyer of any Exchange Business Day. An Option that is in the money and has not been exercised or liquidated prior to the expiration day shall be exercised automatically.~~

A Call option on the Black Sea Wheat Financially Settled (Platts) futures contract represents an option for the buyer to assume a long position in the underlying Black Sea Wheat Financially Settled (Platts) futures at the strike price.

A Put option on the Black Sea Wheat Financially Settled (Platts) futures contract represents an option for the buyer to assume a short position in the underlying Black Sea Wheat Financially Settled (Platts) futures at the strike price.

14T101.H. Termination of Trading

Trading terminates on the last trading day of the corresponding Futures contract.

14T102. CASH SETTLEMENT

For a Call option on Black Sea Wheat Financially Settled (Platts) futures contracts that is not exercised ahead of the expiration day, the settlement on expiration day is the differential between the underlying futures Final Settlement Price and the strike price multiplied by 50 metric tons, or zero whichever is greater on the day on which the option is exercised.

Where a Call Option is in the money and is exercised ahead of the expiration day, the options will expire into the Black Sea Wheat Financially Settled (Platts) futures contract.

For a Put Option on Black Sea Wheat Financially Settled (Platts) futures contracts that is not exercised ahead of the expiration day, the settlement on expiration day is the differential between the strike price and underlying futures Final Settlement Price multiplied by 50 metric tons, or zero whichever is greater on the day on which the option is exercised.

Where a Put Option is in the money and is exercised ahead of the expiration day, the options will expire into the Black Sea Wheat Financially Settled (Platts) futures contract.

14T103. OPTION PREMIUM FLUCTUATION LIMITS

There are no option premium limits during any day for options on Black Sea Wheat Financially Settled (Platts) futures contracts.

14T104. PAYMENT OF OPTION PREMIUM

The option premium must be paid in full by each clearing member to the Clearing House and by each option customer to his futures commission merchant at the time that the option is purchased, or within a reasonable time after the option is purchased.

14T105. DISCLAIMER

NEITHER THE BOARD OF TRADE OF THE CITY OF CHICAGO, INC. ("CBOT"), ITS AFFILIATES, NOR S&P GLOBAL PLATTS GURANTEES THE ACCURACY AND/OR COMPLETENESS OF THE INDEX OR ANY OF THE DATA INCLUDED THEREIN.

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Chapter 15A Options on Oat Futures

15A00. SCOPE OF CHAPTER

This chapter is limited in application to put and call options on Oat futures contracts. In addition to the rules of this chapter, transactions in options on Oat futures shall be subject to the general rules of the Exchange insofar as applicable.

[For purposes of this chapter, unless otherwise specified, times referred to herein shall refer to and indicate Chicago time.](#)

15A01. OPTIONS CHARACTERISTICS

15A01.A. Contract Months

Trading may be conducted in the nearby Oat futures options contract month and any succeeding months, provided however, that Exchange may determine not to list a contract month. For options that are traded in months in which Oat futures are not traded, the underlying futures contract is the next futures contract that is nearest to the expiration of the option. For example, the underlying futures contract for the February option contract is the March futures contract.

15A01.B. Trading Unit

One 5,000 bushel Oat futures contract of a specified contract month.

15A01.C. Minimum Fluctuations

The premium for Oat futures options shall be in multiples of one-eighth (1/8) of one cent per bushel of a 5,000 bushel Oats futures contract which shall equal \$6.25 per contract.

However, a position may be initiated or liquidated in Oat futures options at a premium ranging from \$1.00 to \$6.00, in \$1.00 increments per option contract.

15A01.D. Trading Hours

The hours of trading for options on Oat futures contracts shall be determined by the Exchange. Oat futures options shall be opened and closed for all months and strike prices simultaneously or in such other manner as determined by the Exchange.

15A01.E. Exercise and Exercise Prices⁴

[Transactions and exercise of options shall be conducted for option contracts as set forth in the Strike Price Listing and Exercise Procedures Table.](#)

~~Trading shall be conducted for put and call options with striking prices in integral multiples of five (5) cents and ten (10) cents per bushel per Oat futures contract as follows:~~

~~1.~~

~~a. At the commencement of trading for each option contract, the Exchange shall list a strike closest to the previous day's settlement price of the underlying Oat futures contract (the at-the-money strike, and strikes in integral multiples of ten cents in a range of 50 percent above and below the at-the-money strike. If the previous day's settlement price is midway between two strikes, the at-the-money strike shall be the larger of the two.~~

~~b. Over time, new ten-cent strikes will be added to ensure that all strikes within 50 percent of the previous day's settlement price in the underlying futures contract are listed.~~

~~2.~~

~~a. At the commencement of trading for options that are traded in months in which Oat futures are not traded, and for standard option months the business day they become the second listed month, the Exchange shall list a strike closest to the previous day's settlement price of the underlying Oat futures contract (the at-the-money strike), and strikes in integral multiples of five cents in a range of 25 percent above and below the at-the-money strike. If the previous day's settlement price is midway between two strikes, the at-the-money strike shall be the larger of the two. For example, five-cent strike price intervals for the September contract would be added on the first business day after the expiration of the July options contract.~~

⁴ Revised April 2008; August 2008; December 2010.

~~b. Over time, new five-cent strike prices will be added to ensure that all strikes within 25 percent of the previous day's settlement price in the underlying futures are listed.~~

~~3. All strikes will be listed prior to the opening of trading on the following business day. Upon demand and at the discretion of the Exchange, new out-of-current range strike prices at regularly defined intervals may be added for trading on as soon as possible basis. The Exchange may modify the procedures for the introduction of strikes as it deems appropriate in order to respond to market conditions. As new 5 and 10 cent strikes are added, existing strikes outside the newly determined strike ranges without open interest may be de-listed.~~

15A01.F. 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.

15A01.G. Reserved

15A01.H. Nature of Options on Oat Futures

The buyer of one Oat futures put option may exercise his option at any time prior expiration (subject to Rule 15A02.A.), to assume a short position in one Oat futures contract of a specified contract month at a striking price set at the time the option was purchased. The seller of one Oat futures put option incurs the obligation of assuming a long position in one Oat futures contract of a specified contract month at a striking price set at the time the option was sold, upon exercise by a put option buyer.

The buyer of one Oat futures call option may exercise his option at any time prior to expiration (subject to Rule 15A02.A.), to assume a long position in one Oat futures contract of a specified contract month at a striking price set at the time the option was purchased. The seller of one Oat futures call option incurs the obligation of assuming a short position in one Oat futures contract of a specified contract month at a striking price set at the time the option was sold, upon exercise by a call option buyer.

15A01.I. Termination of Trading

Subject to the provisions of Rule 15A01.D., no trades in Oat futures options expiring in the current month shall be made after the close of the electronic trading session for the corresponding Oat futures contract on the last Friday which precedes by at least two business days, the last business day of the month preceding the option month. If such Friday is not a business day, the last day of trading shall be the business day prior to such Friday.

15A01.J. Contract Modification

Specifications shall be fixed as of the first day of trading of a contract except that all options must conform to government regulations in force at the time of exercise. If the U.S. government, an agency, or duly constituted body thereof issues an order, ruling, directive, or law inconsistent with these rules, such order, ruling, directive, or law shall be construed to become part of the rules and all open and new options contracts shall be subject to such government orders.

15A02. EXERCISE AND ASSIGNMENT

In addition to the applicable procedures and requirements of Chapter 7, the following shall apply to the ~~exercise and~~ assignment of Oat Options.

~~15A02.A. — Exercise of Option~~

~~The buyer of an Oat futures option may exercise the option on any business day prior to expiration by giving notice of exercise to the Clearing House by 5:30 p.m., or by such other time designated by the Exchange, on such day.~~

~~After the close on the last day of trading, all in-the-money options shall be automatically exercised, unless notice to cancel automatic exercise is given to the Clearing House. Notice to cancel automatic exercise shall be given to the Clearing House by 5:30 p.m., or by such other time designated by the Exchange, on the last day of trading.~~

~~15A02.B. — Assignment~~

Exercise notices accepted by the Clearing House shall be assigned through a process of random selection to clearing members' open short positions in the same series. A clearing member to which an

exercise notice is assigned shall be notified thereof as soon as practicable after such notice is assigned by the Clearing House.

The clearing member assigned an exercise notice shall be assigned a short position in the underlying futures contract if a call is exercised or a long position if a put is exercised. The clearing member representing the option buyer shall be assigned a long position in the underlying futures contract if a call is exercised and a short position if a put is exercised.

All such futures positions shall be assigned at a price equal to the exercise price of the option and shall be marked to market in accordance with Rule 814 on the trading day of acceptance by the Clearing House of the Exercise Notice.

15A03. [RESERVED]

15A04. CORRECTIONS TO OPTIONS EXERCISES

Corrections to option exercises, including automatic exercises, may be accepted by the Clearing House after the 5:30 p.m. deadline and up to the beginning of final option expiration processing provided that such corrections are necessary due to: (1) a bona fide clerical error, (2) an un-reconciled Exchange option transaction(s), or (3) an extraordinary circumstance where the clearing firm and customer are unable to communicate final option exercise instructions prior to the deadline. The decision as to whether a correction is acceptable will be made by the President of the Clearing House, or the President's designee, and such decision will be final.

15A05. OPTION PREMIUM LIMITS

There are no option premium limits during any day for options on Oat futures.

15A06. PAYMENT OF OPTION PREMIUM

The option premium must be paid in full by each clearing member to the Clearing House and by each option customer to his futures commission merchant at the time that the option is purchased, or within a reasonable time after the option is purchased.

Chapter 17A

Options on Rough Rice Futures

17A00. SCOPE OF CHAPTER

This chapter is limited in application to put and call options on Rough Rice futures contracts. In addition to the rules of this chapter, transactions in options on Rough Rice futures shall be subject to the general rules of the Exchange insofar as applicable.

[For purposes of this chapter, unless otherwise specified, times referred to herein shall refer to and indicate Chicago time.](#)

17A01. OPTIONS CHARACTERISTICS

17A01.A. Contract Months

Trading may be conducted in the nearby Rough Rice futures options contract month and any succeeding months, provided however, that the Exchange may determine not to list a contract month. For options that are traded in months in which Rough Rice futures are not traded, the underlying futures contract is the next futures contract that is nearest to the expiration of the option. For example, the underlying futures contract for the February option contract is the March futures contract.

17A01.B. Trading Unit

One 2,000 hundredweight Rough Rice futures contract of a specified contract month.

17A01.C. Minimum Fluctuations

The premium for Rough Rice futures options shall be in multiples of one-quarter (1/4) of one cent per hundredweight of a 2,000 hundredweight Rough Rice futures contract which shall equal \$5.00 per contract.

However, a position may be initiated or liquidated in Rough Rice futures options at a premium ranging from \$1.00 to \$4.00, in \$1.00 increments per option contract.

17A01.D. Trading Hours

The hours of trading of options on Rough Rice futures contracts shall be determined by the Exchange. Rough Rice futures options shall be opened and closed for all months and strike prices simultaneously.

17A01.E. Exercise and Exercise Prices⁵

[Transactions and exercise of options shall be conducted for option contracts as set forth in the Strike Price Listing and Exercise Procedures Table.](#)

~~Trading shall be conducted for put and call options with striking prices in integral multiples of twenty (20) cents per hundredweight per Rough Rice futures contract as follows:~~

~~4.~~

~~a. At the commencement of trading for each option contract, the Exchange shall list a strike closest to the previous day's settlement price of the underlying Rough Rice futures contract (the at-the-money strike), and strikes in a range of 50 percent above and below the at-the-money strike. If the previous day's settlement price is midway between two strikes, the at-the-money strike shall be the larger of the two.~~

~~b. Over time, strikes shall be added as necessary to ensure that all strikes within 50 percent of the previous day's settlement price in the underlying futures contract are listed.~~

~~2. All strikes will be listed prior to the opening of trading on the following business day. Upon demand and at the discretion of the Exchange, new out-of-current-range strike prices at regularly defined intervals may be added for trading on as soon as possible basis. The Exchange may modify the procedures for the introduction of strikes as it deems appropriate in order to respond to market conditions. As new strikes are added, existing strikes outside the newly determined strike ranges without open interest may be deleted.~~

17A01.F. 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.

⁵ Revised April 2008; August 2008; December 2010.

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.

17A01.G. Reserved

17A01.H. Nature of Options on Rough Rice Futures

The buyer of one Rough Rice futures put option may exercise his option at any time prior to expiration (subject to Rule 17A02.A.), to assume a short position in one Rough Rice futures contract of a specified contract month at a striking price set at the time the option was purchased. The seller of one Rough Rice futures put option incurs the obligation of assuming a long position in one Rough Rice futures contract of a specified contract month at a striking price set at the time the option was sold, upon exercise by a put option buyer.

The buyer of one Rough Rice futures call option may exercise his option at any time prior to expiration (subject to Rule 17A02.A.), to assume a long position in one Rough Rice futures contract of a specified contract month at a striking price set at the time the option was purchased. The seller of one Rough Rice futures call option incurs the obligation of assuming a short position in one Rough Rice futures contract of a specified contract month at a striking price set at the time the option was sold, upon exercise by a call option buyer.

17A01.I. Termination of Trading

Subject to the provisions of Rule 17A01.D, no trades in Rough Rice futures options expiring in the current month shall be made after the close of the electronic trading session for the corresponding Rough Rice futures contract on the last Friday which precedes by at least two business days, the last business day of the month preceding the option month. If such Friday is not a business day, the last day of trading shall be the business day prior to such Friday.

17A01.J. Contract Modification

Specifications shall be fixed as of the first day of trading of a contract except that all options must conform to government regulations in force at the time of exercise. If the U.S. government, an agency, or duly constituted body thereof issues an order, ruling, directive, or law inconsistent with these rules, such order, ruling, directive, or law shall be construed to become part of the rules and all open and new options contracts shall be subject to such government orders.

17A02. EXERCISE AND ASSIGNMENT

In addition to the applicable procedures and requirements of Chapter 7, the following shall apply to the ~~exercise and~~ assignment of Rough Rice Options.

~~17A02.A. — Exercise of Option~~

~~The buyer of a Rough Rice futures option may exercise the option on any business day prior to expiration by giving notice of exercise to the Clearing House by 5:30 p.m., or by such other time designated by the Exchange, on such day.~~

~~After the close on the last day of trading, all in-the-money options shall be automatically exercised, unless notice to cancel automatic exercise is given to the Clearing House. Notice to cancel automatic exercise shall be given to the Clearing House by 5:30 p.m., or by such other time designated by the Exchange, on the last day of trading.~~

~~Unexercised Rough Rice futures options shall expire at 5:30 p.m. on the last day of trading.~~

~~17A02.B. — Assignment~~

Exercise notices accepted by the Clearing House shall be assigned through a process of random selection to clearing members' open short positions in the same series. A clearing member to which an exercise notice is assigned shall be notified thereof as soon as practicable after such notice is assigned by the Clearing House.

The clearing member assigned an exercise notice shall be assigned a short position in the underlying futures contract if a call is exercised or a long position if a put is exercised. The clearing member representing the option buyer shall be assigned a long position in the underlying futures contract if a call is exercised and a short position if a put is exercised.

All such futures positions shall be assigned at a price equal to the exercise price of the option and shall be marked to market in accordance with Rule 814 on the trading day of acceptance by the Clearing House of the Exercise Notice.

17A03. [RESERVED]

17A04. CORRECTIONS TO OPTIONS EXERCISES

Corrections to option exercises, including automatic exercises, may be accepted by the Clearing House after the 5:30 p.m. deadline and up to the beginning of final option expiration processing provided that such corrections are necessary due to: (1) a bona fide clerical error, (2) an un-reconciled Exchange option transaction(s), or (3) an extraordinary circumstance where the clearing firm and customer are unable to communicate final option exercise instructions prior to the deadline. The decision as to whether a correction is acceptable will be made by the President of the Clearing House, or the President's designee, and such decision will be final.

17A05. OPTION PREMIUM LIMITS

There are no option premium limits during any day for options on Rough Rice futures.

17A06. PAYMENT OF OPTION PREMIUM

The option premium must be paid in full by each clearing member to the Clearing House and by each option customer to his futures commission merchant at the time that the option is purchased, or within a reasonable time after the option is purchased.