

Crude Oil Option Contract

310.01 EXPIRATION OF CRUDE OIL OPTION CONTRACT

A crude oil option contract on the Exchange shall expire at the close of trading on the third business day immediately preceding the expiration of the underlying futures contract. The expiration date shall be announced prior to the listing of the option contract.

310.02 TRADING UNIT FOR CRUDE OIL OPTION CONTRACT

A crude oil put or call option contract traded on the Exchange represents an option to assume a short or long position in the underlying futures contract traded on the Exchange.

310.03 TRADING MONTHS FOR CRUDE OIL OPTION CONTRACT

Trading in crude oil option contracts shall be conducted in the months as shall be determined by the Board of Directors. Trading shall commence on the day fixed by resolution of the Board of Directors.

310.04 HOURS OF TRADING IN CRUDE OIL OPTION CONTRACTS

The hours of trading in crude oil option contracts on the Exchange shall be the same as the hours of trading for crude oil futures contracts. All such trading shall take place on the trading floor of the Exchange within the hours prescribed by the Board.

310.05 STRIKE PRICES FOR CRUDE OIL OPTION CONTRACTS

(A) Trading shall be conducted for options with strike prices in increments as set forth below.

(B) On the first business day of trading in an option contract month, trading shall be at the following strike prices: (i) the previous day's settlement price for crude oil futures contracts in the corresponding delivery month rounded off to the nearest fifty-cent increment strike price unless such settlement price is precisely midway between two fifty-cent increment strike prices in which case it shall be rounded off to the lower fifty-cent increment strike price and (ii) the twenty fifty-cent increment strike prices which are twenty increments higher than the strike price described in (i) of this Rule 310.05(B) and (iii) the twenty fifty-cent increment strike prices which are twenty increments lower than the strike price described in (i) of this Rule 310.05(B) and (iv) an additional ten strike prices for both call and put options will be listed at \$2.50 increments above the highest fifty-cent increment as described in (ii) of this Rule 310.05 (B), beginning with the first available such strike that is evenly divisible by \$2.50 and (v) an additional ten strike prices for both call and put options will be listed at \$2.50 increments below the lowest fifty-cent increment as described in (iii) of this Rule 310.05(B), beginning with the first available such strike that is evenly divisible by \$2.50.

(C) Thereafter, on any business day prior to the expiration of the option: (i) new consecutive fifty-cent increment striking prices for both puts and calls will be added such that at all times there will be at least twenty fifty-cent increment strike prices above and below the at-the-money strike price available for trading in all options contract months; and (ii) new \$2.50 increment strike prices will be added such that at all times there shall be ten \$2.50 strike prices above and below the nearest fifty cent increment strike price. The at-the-money strike price will be determined in accordance with the procedures set forth in Subsection (B) of this Rule 310.05.

(D) Notwithstanding the provisions of subsections (A) through (C) of this Rule, if the Board determines that trading in crude oil futures options will be facilitated thereby, the Board may, by resolution, change the increments between strike prices, the number of strike prices which shall be traded on the first day in any new option contract month, the number of new strike prices which will be introduced on each business day or the period preceding the expiration of a crude oil futures option in which no new strike prices may be introduced.

310.06 PRICES IN CRUDE OIL OPTION CONTRACTS

Prices shall be quoted in dollars and cents per barrel and prices shall be in multiples of one (1) cent per barrel. A cabinet trade may occur at a price of \$0.001 per barrel, or \$1.00.

310.07 ABSENCE OF PRICE FLUCTUATION LIMITATIONS FOR CRUDE OIL OPTION CONTRACT

Trading in crude oil option contracts shall not be subject to price fluctuation limitations.

CHANGE HISTORY

310.01 Expiration of Crude Oil Option Contract: (Amended: 05/25/87, 02/08/88, 10/02/92, 07/06/92, 05/94, 07/22/96)

310.05 Strike Prices for Crude Oil Option Contracts: (Amended: 12/12/90, 03/12/93, 09/19/97)