

## Chapter 23 – Dubai Crude Oil (Platts) Average Price Option Contract

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#### **23.1 Scope**

This Chapter applies to a Dubai Crude Oil (Platts) Average Price Option (the "Contract"), which is a European Style option.

#### **23.2 Trading Unit**

A Dubai Crude Oil (Platts) put or call option contract traded on the Exchange represents an option to assume a short or long position in the underlying Dubai Crude Oil (Platts) Futures contract traded on the Exchange.

#### **23.3 Prices**

Prices shall be quoted in dollars and cents per barrel. The minimum price increment will be \$0.001 per barrel. A cabinet trade may occur at the price of \$0.001 per barrel or \$1.00.

#### **23.4 Strike Prices**

Trading shall be conducted for options with strike prices in increments as set forth below:

- (A)** On the first Trading Day in an option contract month, trading shall be at the following strike prices: (i) the previous day's settlement price for the underlying Dubai Crude Oil (Platts) Futures contract rounded off to the nearest five-cent increment, unless such settlement price is precisely midway between two five-cent increments in which case it shall be rounded off to the lower five-cent increment; (ii) the five strike prices which are five five-cent increments higher than the strike price described in section (i) of this Rule 23.4(A); and (iii) the five strike prices which are five five-cent increments lower than the strike price described in section (i) of this Rule 23.4(A).
- (B)** Thereafter, on any Trading Day prior to the expiration of the option, new strike prices for both puts and calls will be added, such that at all times there will be at least five five-cent (\$.05) increment strike prices above and below the at-the-money strike price available for trading in all option contract months. The at-the-money strike price will be determined in accordance with the procedures set forth in Subsection (A) of this Rule 23.4.
- (C)** Notwithstanding the provisions of subsections (A) through (B) of this Rule, if the Exchange determines that trading in these Contracts will be facilitated thereby, the Exchange may by resolution change the increments between strike prices, the number of strike prices which shall be traded on the first Trading Day in any new option Contract Month, the number of new strike

prices which will be introduced on each Trading Day or the period preceding the expiration of a Contract in which no new strike prices may be introduced.

**23.5 Expiration**

This Contract shall expire on the last Trading Day of the contract month.

**23.6 Contract Months**

Contract Months will be determined by the Exchange.

**23.7 Trading Hours**

The Exchange shall determine the trading hours from time to time.

**23.8 Absence of Price Fluctuation Limitations**

Trading in this Contract shall not be subject to price fluctuation limitations.

**23.9 Exchange for Related Position**

Any Exchange for Related Position (EFRP) transaction shall be governed by the provisions of Exchange Rule 6.25.

**23.10 Governing law**

This Contract shall be governed by and construed in accordance with English law.

**23.11 Disclaimer**

See Legal Disclaimers ("[DISCLAIMERS](#)") incorporated herein by reference.