

**24-502: Modifications to the NYMEX Brent Crude Oil Futures-Style Margin Option Fee Waiver Program**



**Timothy Elliott**  
Managing Director and Chief Regulatory Counsel  
Legal Department

November 26, 2024

**VIA ELECTRONIC PORTAL**

Christopher J. Kirkpatrick  
Office of the Secretariat  
Commodity Futures Trading Commission  
Three Lafayette Centre  
1155 21st Street, N.W.  
Washington, D.C. 20581

**RE: Modifications to the NYMEX Brent Crude Oil Futures-Style Margin Option Fee Waiver Program  
NYMEX Submission No. 24-502**

Dear Mr. Kirkpatrick:

New York Mercantile Exchange, Inc. ("NYMEX" or "Exchange") hereby notifies the Commodity Futures Trading Commission ("CFTC" or "Commission") of plans to modify the NYMEX Brent Crude Oil Futures-Style Margin Option Fee Waiver Program ("Program"). The modifications to the Program will become effective on February 1, 2025.

Exhibit 1 sets forth the terms of the Program. Modifications appear below, with additions underscored and deletions ~~overstruck~~.

NYMEX reviewed the designated contract market core principles ("Core Principles") as set forth in the Commodity Exchange Act ("CEA"). During the review, NYMEX staff identified the following Core Principles as potentially being impacted: Monitoring of Trading, Execution of Transactions, Protection of Market Participants, Compliance with Rules, Availability of General Information, and Recordkeeping.

The Program includes a general fee waiver that applies to all market participants and thus does not incentivize manipulative trading or market abuse and does not impact the Exchange's ability to perform its trade practice and market surveillance obligations under the CEA. The Exchange's market regulation staff will monitor trading in the Program's products to prevent manipulative trading and market abuse. The general fee waiver in the Program does not impact the Exchange's order execution. All market participants that execute trades in the Product shall be entitled to participate. Chapter 4 of the Exchange rules includes prohibitions against fraudulent, non-competitive, unfair or abusive practices. The Program is subject to these rules. The Program is subject to the Exchange's record retention policies which comply with the CEA.

NYMEX certifies that the Program complies with the CEA and the regulations thereunder. There were no substantive opposing views to this Program.

The Exchange certifies that this submission has been concurrently posted on the Exchange's website at <http://www.cmegroup.com/market-regulation/rule-filings.html>.

If you require any additional information regarding this submission, please e-mail [CMEGSubmissionInquiry@cmegroup.com](mailto:CMEGSubmissionInquiry@cmegroup.com) or contact Rachel Johnson at 312-466-4393 or via e-mail at [Rachel.Johnson@cmegroup.com](mailto:Rachel.Johnson@cmegroup.com).

Sincerely,

/s/ Timothy Elliott  
Managing Director and Chief Regulatory Counsel

Enclosure: Exhibit 1

# EXHIBIT 1

## **NYMEX Brent Crude Oil Futures-Style Margin Option Fee Waiver Program**

### **Program Purpose**

The purpose of this Program is to incentivize participants to increase liquidity in the product listed below. A more liquid contract on the central limit order book benefits all participants in the marketplace.

### **Product Scope**

Brent Crude Oil Futures-Style Margin Options (“BZO”) traded on CME Globex® or cleared through CME ClearPort (“Product”).

### **Eligible Participants**

There is no limit to the number of participants in the Program. Participants may be NYMEX members or non-members. The Program is open to any participant that trades the Product. The fee incentives described below will be automatically applied to all trades executed in the Product or cleared through CME ClearPort.

### **Program Term**

Start date is October 12, 2015. End date is ~~January 31, 2025~~ January 31, 2027, or the date on which the Exchange determines to modify, extend, or terminate the Program. Participants will be given notice of any changes to the Program Term.

### **Hours**

The incentives will apply to all activity in the Product regardless of execution time.

### **Incentives**

*Fee Waivers:* All participants will have exchange fees waived for all activity in the Product.