

**SUBMISSION COVER SHEET**

**IMPORTANT:** Check box if Confidential Treatment is requested

Registered Entity Identifier Code (optional): 18-489

Organization: New York Mercantile Exchange, Inc. ("NYMEX")

Filing as a:  DCM  SEF  DCO  SDR

Please note - only ONE choice allowed.

Filing Date (mm/dd/yy): 12/10/18 Filing Description: Delisting of Seven (7) Coal Futures and Options Contracts

**SPECIFY FILING TYPE**

Please note only ONE choice allowed per Submission.

**Organization Rules and Rule Amendments**

- Certification § 40.6(a)
- Approval § 40.5(a)
- Notification § 40.6(d)
- Advance Notice of SIDCO Rule Change § 40.10(a)
- SIDCO Emergency Rule Change § 40.10(h)

**Rule Numbers:**

**New Product**

Please note only ONE product per Submission.

- Certification § 40.2(a)
- Certification Security Futures § 41.23(a)
- Certification Swap Class § 40.2(d)
- Approval § 40.3(a)
- Approval Security Futures § 41.23(b)
- Novel Derivative Product Notification § 40.12(a)
- Swap Submission § 39.5

**Product Terms and Conditions (product related Rules and Rule Amendments)**

- Certification § 40.6(a)
- Certification Made Available to Trade Determination § 40.6(a)
- Certification Security Futures § 41.24(a)
- Delisting (No Open Interest) § 40.6(a)
- Approval § 40.5(a)
- Approval Made Available to Trade Determination § 40.5(a)
- Approval Security Futures § 41.24(c)
- Approval Amendments to enumerated agricultural products § 40.4(a), § 40.5(a)
- "Non-Material Agricultural Rule Change" § 40.4(b)(5)
- Notification § 40.6(d)

Official Name(s) of Product(s) Affected: See filing.

Rule Numbers: See filing.



Christopher Bowen  
Managing Director and Chief Regulatory Counsel  
Legal Department

December 10, 2018

**VIA ELECTRONIC PORTAL**

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

**RE: CFTC Regulation 40.6(a) Certification. Notification Regarding the Delisting of Seven (7) Coal Futures and Options Contracts. NYMEX Submission No. 18-489**

Dear Mr. Kirkpatrick:

New York Mercantile Exchange, Inc. (“NYMEX” or “Exchange”) is notifying the Commodity Futures Trading Commission (“CFTC” or “Commission”) that it is self-certifying the delisting of seven (7) thermal coal futures and options contracts (the “Contracts”) as noted in the table below, effective immediately. There is no open interest in the Contracts.

| Contract Title   | Commodity Code | NYMEX Rulebook Chapter Number |
|--|----------------|-------------------------------|
| Indonesian Coal (McCloskey sub-bituminous) Futures                               | MCC            | 294                           |
| Indonesian Coal (McCloskey sub-bituminous) Option on Calendar Futures Strip      | ICC            | 1133                          |
| Indonesian Coal (McCloskey sub-bituminous) Average Price Option                  | ICA            | 1124                          |
| Indonesian Coal (McCloskey sub-bituminous) Option on Quarterly Futures Strip     | IC4            | 1132                          |
| Coal (API 8) cfr South China (Argus/McCloskey) Average Price Option              | A8A            | 1120                          |
| Coal (API 8) cfr South China (Argus/McCloskey) Option on Quarterly Futures Strip | A84            | 1121                          |
| Coal (API 8) cfr South China (Argus/McCloskey) Option on Calendar Futures Strip  | AC8            | 1123                          |

As a result of the delisting, information regarding the Contracts has been deleted from the respective product rule chapters; all other references to the Contracts and terms and conditions contained in the Position Limit, Position Accountability and Reportable Level Table located in the Interpretations and Special Notices Section of Chapter 5 (“Trading Qualifications and Practices”) of the NYMEX Rulebook were removed from the Exchange Rulebook and the CME Group website. The Exchange also removed the applicable sections of the Strike Price Listing Procedures and Exercise Procedures Table located in Chapter 300 (“Options Contracts”) to reflect the delisting.

The Exchange reviewed the designated contracts market core principles (“Core Principles”) as set forth in the Commodity Exchange Act (“CEA” or “Act”) and identified that the delisting may have some bearing on the following Core Principles:

- **Emergency Authority:** There is no open interest in the Contracts, and therefore there will be no market disruption related to their delisting.

- **Availability of General Information:** The Exchange will make publicly available the details of the delisting of the Contracts by publishing a Special Executive Report (“SER”) to the marketplace. The SER will be available on CME Group’s website.

Pursuant to Section 5c(c) of the Act and CFTC Regulations 40.6(a), the Exchange hereby certifies that delisting the Contracts complies with the Act, including regulations under the Act. There were no substantive opposing views to the proposal.

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

Should you have any questions concerning the above, please contact the undersigned at (212) 299-2200 or via e-mail at [CMEGSubmissionInquiry@cmegroup.com](mailto:CMEGSubmissionInquiry@cmegroup.com).

Sincerely,

/s/ Christopher Bowen  
Managing Director and Chief Regulatory Counsel

Attachments: Exhibit A: Amendments to NYMEX Rulebook Chapters (blackline format)  
Exhibit B: Position Limits, Position Accountability and Reportable Level Table in Chapter 5 of the NYMEX Rulebook (attached under separate cover)

## Exhibit A

### NYMEX Rulebook Chapters

(deletions are struck through)

#### **Chapter 294 Indonesian Coal (McCloskey sub-bituminous) Futures**

##### **294.01. SCOPE**

~~The provisions of these rules shall apply to all contracts bought or sold on the Exchange for cash settlement based on the Floating Price.~~

##### **294.02. FLOATING PRICE**

~~The Floating Price for each contract month shall be equal to the arithmetic average of the "McCloskey Indonesian Sub-Bituminous FOB marker" published in the McCloskey Coal Report during the contract month.~~

##### **294.03. CONTRACT QUANTITY AND VALUE**

~~The contract quantity shall be 1,000 metric tons. Each contract shall be valued as the contract quantity (1,000 metric tons) multiplied by the settlement price.~~

##### **294.04. CONTRACT MONTHS**

~~Trading shall be conducted in contracts in such months as shall be determined by the Exchange.~~

##### **294.05. PRICES AND FLUCTUATIONS**

~~Prices shall be quoted in U.S. dollars and cents per metric ton. The minimum price fluctuation shall be \$0.05 (5¢) per metric ton (\$50 per contract). The minimum price fluctuation in respect of the Floating Price shall be \$0.01 per metric ton (\$10 per contract). There shall be no maximum price fluctuation.~~

##### **294.06. TERMINATION OF TRADING**

~~The contract shall terminate at the close of trading on the last Friday of the contract month. If such Friday is a UK holiday, the contract will terminate on the UK business day immediately prior to the last Friday of the contract month unless such day is not an Exchange business day, in which case the contract shall terminate on the Exchange business day immediately prior. Notwithstanding the above, if New Year's Day is a Friday, the immediately preceding December contract month shall terminate on the last business day of the contract month.~~

##### **294.07. FINAL SETTLEMENT**

~~Delivery under the contract shall be by cash settlement. Final settlement, following termination of trading for a contract month, will be based on the Floating Price. The final settlement price will be the Floating Price calculated for each contract month.~~

##### **294.08. EXCHANGE FOR RELATED POSITION TRANSACTIONS**

~~Any exchange for related position ("EFRP") transactions shall be governed by the provisions of Exchange rule 538.~~

##### **294.09. DISCLAIMER**

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## **Chapter 1123**

### **Coal (API 8) cfr South China (Argus/McCloskey) Option on Calendar Futures Strip**

#### **1123100. SCOPE OF CHAPTER**

This chapter is limited in application to put and call options on Coal (API 8) cfr South China (Argus/McCloskey) futures contracts. In addition to the rules of this chapter, transactions in options on Coal (API 8) cfr South China (Argus/McCloskey) futures shall be subject to the general rules of the Exchange insofar as applicable.

#### **1123101. OPTION CHARACTERISTICS**

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

##### **1123101.A. Trading Schedule**

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

##### **1123101.B. Trading Unit**

The Coal (API 8) cfr China (Argus/McCloskey) Option on Calendar Futures Strip is an option on the Coal (API 8) cfr China (Argus/McCloskey) Futures contract.

On exercise of a call option, the long position will be assigned twelve consecutive long futures months beginning with the underlying month of the Coal (API 8) cfr China (Argus/McCloskey) Futures contract at the strike price. On exercise of a put option, the long position will be assigned twelve consecutive short futures months beginning with the underlying month of the Coal (API 8) cfr China (Argus/McCloskey) Futures contract at the strike price.

##### **1123101.C. Price Increments**

Prices shall be quoted in dollars and cents per metric tons and prices shall be in multiples of \$0.01 per metric ton. The minimum price increment will be \$0.01.

##### **1123101.D. Position Limits and Position Accountability**

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.

##### **1123101.E. Termination of Trading**

The option contract shall expire 30 calendar days prior to the first calendar day of the first month in the strip of deliverable futures. If such day is not a London business day, trading shall terminate on the preceding London business day. Trading shall cease at 3:30 p.m. London Time on the expiration day.

Notice of exercise must be delivered by a Clearing Member to the Clearing House not later than 6:00 p.m. London time on the Expiration Day. The option shall be available for automatic exercise. The in-the-money value of the option shall be based on the settlement price for the underlying strip of futures on the Expiration Day.

##### **1123101.F. Type Option**

The option is a European-style option which exercises into underlying futures.

#### **1123102. EXERCISE PRICES**

Transactions shall be conducted for option contracts as set forth in Rule 300.20.

#### **1123103. DISCLAIMER**

The Coal (API 8) cfr South China (Argus/McCloskey) Option on Calendar Futures Strip (the "Product") is not sponsored, endorsed, sold or promoted by Argus Media Inc. ("Argus") or IHS Global Ltd. ("IHS"). Argus and IHS make no representation or warranty, express or implied, to the owners of the Product or any member of the public regarding the advisability of trading in the Product.

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- ~~b. its directors or officers; or~~
- ~~c. any relevant party that NYMEX may contract with for the supply of the index or information in relation thereto;~~

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## **Chapter 1133**

### **Indonesian Coal (McCloskey sub-bituminous) Option on Calendar Futures Strip**

#### **1133100. SCOPE OF CHAPTER**

This chapter is limited in application to put and call options on Indonesian Coal (McCloskey sub-bituminous) futures contracts. In addition to the rules of this chapter, transactions in options on Indonesian Coal (McCloskey sub-bituminous) futures shall be subject to the general rules of the Exchange insofar as applicable.

#### **1133101. OPTION CHARACTERISTICS**

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

##### **1133101.A. Trading Schedule**

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

##### **1133101.B. Trading Unit**

The Indonesian Coal (McCloskey sub-bituminous) Option on Calendar Futures Strip is an option on the Indonesian Coal (McCloskey sub-bituminous) Futures contract.

On exercise of a call option, the long position will be assigned twelve consecutive long futures months beginning with the underlying month of the Indonesian Coal (McCloskey sub-bituminous) Futures contract at the strike price. On exercise of a put option, the long position will be assigned twelve consecutive short futures months beginning with the underlying month of the Indonesian Coal (McCloskey sub-bituminous) Futures contract at the strike price.

##### **1133101.C. Price Increments**

Prices shall be quoted in dollars and cents per metric tons and prices shall be in multiples of \$0.01 per metric ton. The minimum price increment will be \$0.01.

##### **1133101.D. Position Limits and Position Accountability**

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.

##### **1133101.E. Termination of Trading**

The option contract shall expire 30 calendar days prior to the first calendar day of the first month in the strip of deliverable futures. If such day is not a London business day, trading shall terminate on the preceding London business day. Trading shall cease at 3:30 p.m. London Time on the expiration day.

Notice of exercise must be delivered by a Clearing Member to the Clearing House not later than 6:00 p.m. London time on the Expiration Day. The option shall be available for automatic exercise. The in-the-money value of the option shall be based on the settlement price for the underlying strip of futures on the Expiration Day.

##### **1133101.F. Type Option**

The option is a European-style option which exercises into underlying futures.

#### **1133102. EXERCISE PRICES**

Transactions shall be conducted for option contracts as set forth in Rule 300.20.

#### **1133103. DISCLAIMER**

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- c. any relevant party that NYMEX may contract with for the supply of the index or information in relation thereto;

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## Chapter 1124

### Indonesian Coal (McCloskey sub-bituminous) Average Price Option

#### 1124100. SCOPE OF CHAPTER

This chapter is limited in application to put and call options on Indonesian Coal (McCloskey sub-bituminous) futures contracts. In addition to the rules of this chapter, transactions in options on Indonesian Coal (McCloskey sub-bituminous) futures shall be subject to the general rules of the Exchange insofar as applicable.

#### 1124101. OPTION CHARACTERISTICS

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

##### 1124101.A. Trading Schedule

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

##### 1124101.B. Trading Unit

A Indonesian Coal (McCloskey sub-bituminous) Average Price Call Option traded on the Exchange represents the differential between the final settlement price of the underlying Indonesian Coal (McCloskey sub-bituminous) futures and the strike price, multiplied by 1,000 metric tons, or zero, whichever is greater. A Indonesian Coal (McCloskey sub-bituminous) Average Price Put Option traded on the Exchange represents the differential between the strike price and the final settlement price of the underlying Indonesian Coal (McCloskey sub-bituminous) futures, multiplied by 1,000 metric tons, or zero, whichever is greater.

##### 1124101.C. Price Increments

Prices shall be quoted in dollars and cents per metric tons and prices shall be in multiples of \$0.01 per metric ton. The minimum price increment will be \$0.01.

##### 1124101.D. Position Limits and Position Accountability

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.

##### 1124101.E. Termination of Trading

The option contract shall expire at the close of trading on the day that is the last day in the contract month that is the last day of a working week in London. A working week is defined as Monday through Friday excluding any applicable public holidays. If such day is not an Clearing House business day, the contract shall terminate on the Clearing House business day immediately prior.

##### 1124101.F. Type Option

The option is a European-style option cash settled on expiration day.

#### 1124102. EXERCISE PRICES

Transactions shall be conducted for option contracts as set forth in Rule 300.20.

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## Chapter 1132 Indonesian Coal (McCloskey sub-bituminous) Option on Quarterly Futures Strip

### **1132100. SCOPE OF CHAPTER**

This chapter is limited in application to put and call options on Indonesian Coal (McCloskey sub-bituminous) futures contracts. In addition to the rules of this chapter, transactions in options on Indonesian Coal (McCloskey sub-bituminous) futures shall be subject to the general rules of the Exchange insofar as applicable.

### **1132101. OPTION CHARACTERISTICS**

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

#### **1132101.A. Trading Schedule**

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

#### **1132101.B. Trading Unit**

The Indonesian Coal (McCloskey sub-bituminous) Option on Quarterly Futures Strip is an option on the Indonesian Coal (McCloskey sub-bituminous) Futures contract.

On exercise of a call option, the long position will be assigned three consecutive long futures months beginning with the underlying month of the Indonesian Coal (McCloskey sub-bituminous) Futures contract at the strike price. On exercise of a put option, the long position will be assigned three consecutive short futures months beginning with the underlying month of the Indonesian Coal (McCloskey sub-bituminous) Futures contract at the strike price.

#### **1132101.C. Price Increments**

Prices shall be quoted in dollars and cents per metric tons and prices shall be in multiples of \$0.01 per metric ton. The minimum price increment will be \$0.01.

#### **1132101.D. Position Limits and Position Accountability**

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.

#### **1132101.E. Termination of Trading**

The option contract shall expire 30 calendar days prior to the first calendar day of the first month in the strip of deliverable futures. If such day is not a London business day, trading shall terminate on the preceding London business day. Trading shall cease at 3:30 p.m. London Time on the expiration day.

Notice of exercise must be delivered by a Clearing Member to the Clearing House not later than 6:00 p.m. London time on the Expiration Day. The option shall be available for automatic exercise. The in-the-money value of the option shall be based on the settlement price for the underlying strip of futures on the Expiration Day.

#### **1132101.F. Type Option**

The option is a European style option which exercises into underlying futures.

### **1132102. EXERCISE PRICES**

Transactions shall be conducted for option contracts as set forth in Rule 300.20.

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## Chapter 1120

### Coal (API 8) cfr South China (Argus/McCloskey) Average Price Option

#### 1120100. SCOPE OF CHAPTER

This chapter is limited in application to put and call options on Coal (API 8) cfr South China (Argus/McCloskey) futures contracts. In addition to the rules of this chapter, transactions in options on Coal (API 8) cfr South China (Argus/McCloskey) futures shall be subject to the general rules of the Exchange insofar as applicable.

#### 1120101. OPTION CHARACTERISTICS

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

##### 1120101.A. Trading Schedule

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

##### 1120101.B. Trading Unit

A Coal (API 8) cfr South China (Argus/McCloskey) Average Price Call Option traded on the Exchange represents the differential between the final settlement price of the underlying Coal (API 8) cfr South China (Argus/McCloskey) futures and the strike price, multiplied by 1,000 metric tons, or zero, whichever is greater. A Coal (API 8) cfr South China (Argus/McCloskey) Average Price Put Option traded on the Exchange represents the differential between the strike price and the final settlement price of the underlying Coal (API 8) cfr South China (Argus/McCloskey) futures, multiplied by 1,000 metric tons, or zero, whichever is greater.

##### 1120101.C. Price Increments

Prices shall be quoted in dollars and cents per metric tons and prices shall be in multiples of \$0.01 per metric ton. The minimum price increment will be \$0.01.

##### 1120101.D. Position Limits and Position Accountability

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.

##### 1120101.E. Termination of Trading

The option contract shall expire at the close of trading on the day that is the last day in the contract month that is the last day of a working week in London. A working week is defined as Monday through Friday excluding any applicable public holidays. If such day is not a Clearing House business day, the contract shall terminate on the Clearing House business day immediately prior.

##### 1120101.F. Type Option

The option is a European-style option cash settled on expiration day.

#### 1120102. EXERCISE PRICES

Transactions shall be conducted for option contracts as set forth in Rule 300.20.

#### 1120103. DISCLAIMER

The Coal (API 8) cfr South China (Argus/McCloskey) Average Price Option (the "Product") is not sponsored, endorsed, sold or promoted by Argus Media Inc. ("Argus") or IHS Global Ltd. ("IHS"). Argus and IHS make no representation or warranty, express or implied, to the owners of the Product or any member of the public regarding the advisability of trading in the Product.

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## Chapter 1121

### Coal (API 8) cfr South China (Argus/McCloskey) Option on Quarterly Futures Strip

#### 1121100. SCOPE OF CHAPTER

This chapter is limited in application to put and call options on Coal (API 8) cfr South China (Argus/McCloskey) futures contracts. In addition to the rules of this chapter, transactions in options on Coal (API 8) cfr South China (Argus/McCloskey) futures shall be subject to the general rules of the Exchange insofar as applicable.

#### 1121101. OPTION CHARACTERISTICS

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

##### 1121101.A. Trading Schedule

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

##### 1121101.B. Trading Unit

The Coal (API 8) cfr China (Argus/McCloskey) Option on Quarterly Futures Strip is an option on the Coal (API 8) cfr China (Argus/McCloskey) Futures contract.

On exercise of a call option, the long position will be assigned three consecutive long futures months beginning with the underlying month of the Coal (API 8) cfr China (Argus/McCloskey) Futures contract at the strike price. On exercise of a put option, the long position will be assigned three consecutive short futures months beginning with the underlying month of the Coal (API 8) cfr China (Argus/McCloskey) Futures contract at the strike price.

##### 1121101.C. Price Increments

Prices shall be quoted in dollars and cents per metric tons and prices shall be in multiples of \$0.01 per metric ton. The minimum price increment will be \$0.01.

##### 1121101.D. Position Limits and Position Accountability

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.

##### 1121101.E. Termination of Trading

The option contract shall expire 30 calendar days prior to the first calendar day of the first month in the strip of deliverable futures. If such day is not a London business day, trading shall terminate on the preceding London business day. Trading shall cease at 3:30 p.m. London Time on the expiration day.

Notice of exercise must be delivered by a Clearing Member to the Clearing House not later than 6:00 p.m. London time on the Expiration Day. The option shall be available for automatic exercise. The in-the-money value of the option shall be based on the settlement price for the underlying strip of futures on the Expiration Day.

##### 1121101.F. Type Option

The option is a European-style option which exercises into underlying futures.

#### 1121102. EXERCISE PRICES

Transactions shall be conducted for option contracts as set forth in Rule 300.20.

#### 1121103. DISCLAIMER

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**Exhibit B**

**Position Limits, Position Accountability and Reportable Level Table in Chapter 5  
of the NYMEX Rulebook**

(attached under separate cover)