

May 5, 2000

Web-01

Dear Members & Rulebook Holders:

The following Rules and Regulations have been amended. You can view these change by visiting the MGE website at <http://www.mgex.com> and clicking on Rulebook. If you have any questions or problems accessing the Rulebook, you can contact Jenny Hendrix at (612) 321-7141 or e-mail Jenny at [jhendrix@mgex.com](mailto:jhendrix@mgex.com).

Remove and insert your pages as follows:

<b><u>After Tab</u></b>	<b><u>Action</u></b>	<b><u>Purpose</u></b>
14 Options Specifications	<u>*Replace Rules</u> 1402.00.C. and 1402.00.G.	To amend Rule 1402.00.
20 Regulations	<u>*Replace Regulations</u> 2011.00. and 2012.00.	To amend Regulations 2011.00 and 2012.00.
25 European Options	<u>*Replace Rule</u> 2512.00.	To amend Rule 2512.00.
28 White Wheat Options	<u>*Replace Rule</u> 2810.01.	To amend Rule 2810.01
31 Black Tiger Shrimp Options	<u>*Replace Rule</u> 3108.00.	To amend Rule 3108.00.
33 White Shrimp Options	<u>*Replace Rule</u> 3308.00.	To amend Rule 3308.00.
41 Durum Wheat Options	<u>*Replace Rule</u> 4110.01.	To amend Rule 4110.01.

\* These Rules and Regulations will become effective with the May, 2001, contract.

Gary B. Wollan  
Vice President

GBW/vv

## 1402.00. OPTION TRADING.

- A. **Hours of Trading.** The hours of trading Spring Wheat Options shall be determined by the Board of Directors in accordance with [Regulation 2011.00](#).
- B. **Months Traded In.** Trading may be conducted in Spring Wheat options in the same months that are listed for trading in the Spring Wheat Futures Contract (see [Rule 715.00](#)). Additionally, trading may be conducted in Spring Wheat options in months that are not listed for trading in the Spring Wheat Futures Contract. No more than two (2) options months outside the delivery cycle shall be available to trade at one time and shall be limited to those months immediately preceding the current delivery month and the next delivery month. Trading in an options month outside the delivery cycle may begin the first business day of the month immediately preceding its month of expiration. The underlying Spring Wheat Futures Contract month for such options month shall be the next month in the delivery cycle. However, the Board of Directors may, at its discretion, restrict trading in any month should market conditions so warrant.
- C. **Last Trading Day.** The last trading day will be the Friday which precedes by at least two (2) business days, the last business day of the month preceding the option month. If such Friday is not a business day, the last trading day shall be the business day prior to such Friday.
- D. **Option Expiration.** The contractual rights and obligations arising from the option contract expire at ten o'clock (10:00) a.m. on the first Saturday following the last day of trading.
- E. **Option Premium Price Basis.** The premium for Spring Wheat futures options shall be in multiples of one-eighth of one cent (1/8) per bushel of a five thousand (5,000) bushel Spring Wheat futures contract or six dollars and twenty-five cents (\$6.25) per contract.
- However, in the case of a cabinet trade, when both sides are closing transactions, the option premium may range from one dollar (\$1.00) to six dollars (\$6.00) in one dollar (\$1.00) increments per option contract.
- F. **Position Limits.** Position Limits for Spring Wheat futures options shall be those limits currently in effect pursuant to Part 150 of the Regulations of the Commodity Futures Trading Commission.
- G. **Reportable Positions.** A position of twenty-five (25) or more put or call options on this Exchange, long or short, in any one (1) month of the first two (2) nearby delivery months or a position of one hundred (100) or more put or call options, long or short, in any one (1) month of the remaining delivery months shall be reportable position level for wheat options on this Exchange. All such positions shall be reported in a manner and form as designated by the Exchange and pursuant to Exchange [Rule 1505.00](#).
- H. **Daily Price Limits.** Trading is prohibited in a Spring Wheat futures option at a premium of more than the trading limit for the Spring Wheat futures contract above and below the previous day's settlement premium for that option. On the first (1st) day of trading, limits shall be set from the lowest premium of the opening range.

**2512.00. LAST TRADING DAY.**

The last trading day will be the Friday which precedes by at least two (2) business days, the last business day of the month preceding the option month. If such Friday is not a business day, the last trading day shall be the business day prior to such Friday.

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**2810.01. LAST TRADING DAY.**

The last trading day will be the Friday which precedes by at least two (2) business days, the last business day of the month preceding the option month. If such Friday is not a business day, the last trading day shall be the business day prior to such Friday.

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**3108.00. LAST TRADING DAY.**

The last trading day will be the Friday which precedes by at least two (2) business days, the last business day of the month preceding the option month. If such Friday is not a business day, the last trading day shall be the business day prior to such Friday.

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**3308.00. LAST TRADING DAY.**

The last trading day will be the Friday which precedes by at least two (2) business days, the last business day of the month preceding the option month. If such Friday is not a business day, the last trading day shall be the business day prior to such Friday.

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**4110.01. LAST TRADING DAY.**

The last trading day will be the Friday which precedes by at least two (2) business days, the last business day of the month preceding the option month. If such Friday is not a business day, the last trading day shall be the business day prior to such Friday.

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