



CCFE Advisory 2008-08

March 3, 2008

Re: SFI Futures Options - Additional Contract Months and Vintage Listings

On Friday, March 7, 2008, CCFE will list for trading additional contract months and vintages for options on SFI futures, pending self-certification with the Commodity Futures Trading Commission.

Options on SFI futures will have thirty-six consecutive months listed for trading. In addition, the front two contract months and the nearby-by December contract will also list contracts that will allow for delivery of EPA allowance vintages through the year 2020.

The revised draft contract specifications are attached. The full listing of options on SFI futures contract months effective March 7, 2008 can be viewed at http://www.ccfex.com/about_ccfe/products/sfi-options/Listings&expirations_expanded.xls.

Questions pertaining to this advisory may be addressed to the above at 312.554.1019, bboyk@theccx.com or Niall McCarthy at 312.229.5168, nmcCarthy@theccx.com.

(Pending Self-Certification with the CFTC)

Chicago Climate Futures Exchange, LLC
Sulfur Financial Instrument Futures Options Contract Specifications

Contract Size	One CCFE Sulfur Financial Instrument futures contract (of a specified contract month) of 25 U.S EPA SO ₂ Emission Allowances
Quotation	US dollars
Minimum Tick Increment	\$.05 per allowance = \$1.25 per contract
Symbols	SFIC, SFIP
Trading Hours	7:00 a.m. – 3:00 p.m. Central Time
Strike Price Intervals	Call and Put options based on twenty-five strike prices in the series will be listed at the introduction of a contract. Strike prices will be listed at \$25 increments with 8 listed below the at-the-money strike price and 16 listed above the at-the-money strike price. Additional strikes will be listed on the trading day following the day a related futures contract settles for the first time above or below an existing option strike price.
Contract Listing Cycle	<ol style="list-style-type: none">1. Standard-cycle contract listings:<ol style="list-style-type: none">a. Thirty-six consecutive monthly contracts; andb. Up to eight annual December contracts2. CCFE may list any other calendar month contract off the standard-cycle listing schedule through the last annual December contract in conjunction with a listed Sulfur Financial Instrument futures contract.
Products	Within the front-two listed contracts and the nearby December contract, the Exchange may offer one or more vintage-year specific products having different delivery specifications as follows: <ol style="list-style-type: none">1. Front-Year Vintage2. 1-Year Deferred Vintage3. 2-Year Deferred Vintage4. 3-Year Deferred Vintage5. 4-Year Deferred Vintage6. 5-Year Deferred Vintage7. 6-Year Deferred Vintage8. 7-Year Deferred Vintage9. 8-Year Deferred Vintage10. 9-Year Deferred Vintage11. 10-Year Deferred Vintage12. 11-Year Deferred Vintage13. 12-Year Deferred Vintage14. Additional Deferred Vintages as determined by CCFE
First Trading Day	Effective March 7, 2008, a new contract month will listed on the same Business Day as a new contract listing for the underlying Sulfur Financial Instrument futures. The vintage-year specific products will be listed on the same Business Day as new listings for underlying specific-year vintage product futures.
Last Trading Day	The last day of trading is the second business day prior to the first position day for the expiring underlying futures contract.
Exercise	European style. Option exercise results in an underlying futures position in the related

	contract month. Options in-the-money at the close on the last day of trading are automatically exercised unless proper instructions are input to the CCFE CSP's clearing system not to exercise an in-the-money options by the expiration deadline. (Instructions may also be input to the CCFE CSP's clearing system to exercise an out-of-the money option.)
Expiration	Unexercised CCFE SFI futures options shall expire at 5:00 p.m. on the last day of trading.
Option Premium	The CCFE CSP will collect the full option premium from the buyer clearing member and pay the full option premium to the seller clearing member on the day of trade in accordance with CCFE CSP's procedures.
Price Limits	None
Reportable Position Limits	25 contracts gross in each option quadrant
Nearby Expiration Month Speculative Position Limits	4,000 contracts (equivalent to 100,000 U.S. EPA SO ₂ Emission Allowances) on a net futures-equivalent basis. 8,000 contracts (equivalent to 200,000 U.S. EPA SO ₂ Emission Allowances) on a net futures-equivalent basis effective with the January 2008 contract.

Contract specifications and related rules are subject to revision. If CCFE determines that revisions to the contract specifications and related rules are warranted, reasonable efforts will be taken to provide appropriate advance notification of such revisions.

This document is a summary of the CCFE contract specification rules; see the CCFE Rulebook for complete contract specification rules.