

**DC Rules Chapter 7 – Clearing and Margins**

Current Rule	Revised Rule
<p><b>7.07      OFFSET NOT AUTOMATIC</b></p> <p>7.07.1    When a Clearing Member buys and sells or (vis-à-vis the Clearing House) is deemed to buy and sell the same Commodity for the same Delivery Month, a put option with the same class of options, the same strike price and expiration month or a call option with the same class of options, the same strike price and expiration month and such Contracts are cleared through the Clearing House, the purchases and sales are not automatically offset one against the other. Transactions can only be offset against one another by complying with Rule 7.09 and rules of the Relevant Market(s) at which they were effected.</p>	<p><b>7.07      OFFSET NOT AUTOMATIC</b></p> <p>7.07.1    When a Clearing Member buys and sells or (vis-à-vis the Clearing House) is deemed to buy and sell <u>Contracts for the same series Commodity for the same Delivery Month, a put option with the same class of options, the same strike price and expiration month or a call option with the same class of options, the same strike price and expiration month</u> and such Contracts are cleared through the Clearing House, the purchases and sales are not automatically offset one against the other <u>where the relevant account is a gross position account</u>. Transactions can only be offset against one another by complying <u>with Rule 7.09 and the</u> rules of the Relevant Market(s) at which they were effected <u>and by submission of a close out request to the Clearing House by the relevant Clearing Member</u>.</p>
<p><b>New Rule</b></p>	<p><u>7.07.1A    When a Clearing Member buys and sells or (vis-à-vis the Clearing House) is deemed to buy and sell Contracts for two different fungible series and such Contracts are cleared through the Clearing House, such transactions can only be offset against one another by complying with the rules of the Relevant Market(s) at which they were effected and by submission of a close out request to the Clearing House by the relevant Clearing Member.</u></p>