



Special Executive Report

DATE: November 17, 2015
SER#: 7522
SUBJECT: Reminder Regarding the Exercise Process for Six (6) Coal Option Contracts

Effective on May 19, 2014, New York Mercantile Exchange, Inc. (“NYMEX” or “Exchange”) amended the exercise process for four (4) existing coal option contracts to enable automated exercise functionality (see [SER 7020](#) dated May 1, 2014). Effective March 30, 2015 the Exchange launched two (2) new coal options contracts which also enabled automated exercise functionality (see [SER 7320R](#) dated March 11, 2015).

This SER shall serve to remind the marketplace of the Exchange’s exercise process for the six (6) coal option contracts (the “Contracts”) listed in Table 1 below.

Table 1

Product Name	Clearing Code	Rulebook Chapter
Coal (API 2) cif ARA (ARGUS-McCloskey) Option on Quarterly Futures Strip	CQA	909
Coal (API 2) cif ARA (ARGUS-McCloskey) Option on Calendar Futures Strip	CLA	910
Coal (API 4) fob Richards Bay (ARGUS-McCloskey) Option on Quarterly Futures Strip	RQA	917
Coal (API 4) fob Richards Bay (ARGUS-McCloskey) Option on Calendar Futures Strip	RLA	918
Coal (API 2) cif ARA (Argus-McCloskey) Short Dated Option on Calendar Futures Strip	MTC	1115
Coal (API 4) fob Richards Bay (Argus-McCloskey) Short Dated Option on Calendar Futures Strip	MFY	1114

The Contracts are subject to automatic exercise based on market data provided by the London Energy Brokers’ Association (“LEBA”). The respective Rulebook chapters of the Contract state that “In the event the underlying reference price used by the Exchange is not available by 5:45 p.m. London time, the notice of exercise may be delivered no later than fifteen (15) minutes after the publication of the underlying reference price.”

Please note that the fifteen (15) minute period described in the respective Rulebook chapters shall commence once the underlying reference price has been made available within CME's Clearing House Front End Clearing System (FEC).

Generally, the timing associated with the expiry process of the Contracts is as follows:

Option Ceases Trading	5:00 p.m. London time	(12:00 p.m. New York time)
Exercise/Abandon Submission Deadline	6:00 p.m. London time (or 15 minutes after LEBA data is published)	(1:00 p.m. New York time)
All positions deemed final	6:00 p.m. London time (or 15 minutes after the LEBA data is published)	(1:00 p.m. New York time)
CME Positions and Expiration Report Available	6:30 p.m. London time	(1:30 p.m. New York time)

For additional information, please contact:

CME Clearing Services ccs@cmegroup.com +1 312 207 2525
Richard Stevens Richard.Stevens@cmegroup.com +44 20 3379 3790