Chapter 1002
Iron Ore 62% CFR China (TSI) Average Price Option

100201. Description
100201.1 The Iron Ore 62% CFR China (TSI) Average Price Option is a financially settled option referencing The Steel Index ("TSI") price assessment for iron ore fines 62% Fe cfr Tianjin Port (China). It is an Asian Style average price option, which is financially settled on exercise, and may be exercised on its expiration day only.

100201.2 The CME Clearing Europe commodity code shall be EICT.

100202. Contract Size
100202.1 The contract size shall be 500 dry metric tons.

100203. Contract Months
100203.1 Iron Ore 62% CFR China (TSI) Average Price Options shall be available for consecutive calendar months for the balance of the current calendar year and two additional full calendar years.

100204. Prices
100204.1 Prices shall be quoted in U.S. dollars and cents per dry metric ton.
100204.2 The minimum price fluctuation shall be $0.01 per dry metric ton.
100204.3 There shall be no maximum price fluctuation.
100204.4 A cabinet trade may occur at the price of $.002 per dry metric ton or $1.00 per contract.

100205. Daily Settlement Prices
100205.1 The Clearing House shall establish settlement prices in respect of open positions for the purposes of position valuation and variation margin calculation, as described in the Clearing Procedures.
100206. **Premium Payment**
100206.1 Option premium shall be paid by the buyer to the Clearing House, and received by the seller from the Clearing House in full following the trade. Payments shall be made as directed by the Clearing House.

100207. **Strike Prices**
100207.1 Transactions in Iron Ore 62% CFR China (TSI) Average Price Options may be submitted to the Clearing House with strike prices in increments of $0.50 per dry metric ton, subject to any limits on the range of available strike prices published by the Clearing House.

100208. **Option Exercise**
100208.1 Iron Ore 62% CFR China (TSI) Average Price Options may be exercised only on the last trading day, as described in 100209.1.

100209. **Termination of Trading**
100209.1 Trade submission shall cease on the last business day of the contract month.
100209.2 On the last trading day, as described in 100209.1, the final time for trade submission shall be 7:00pm Singapore time.

100210. **Expiry**
100210.1 An Iron Ore 62% CFR China (TSI) Average Price Option Contract shall expire on the last trading day as described in 100209.1.
100210.2 On the Expiry Day, as described in 100210.1, the Iron Ore 62% CFR China (TSI) Average Price Option shall expire at 4.30pm New York time. Where an option is to be exercised by the buyer, such exercise must be notified to the Clearing House by the expiration time. Any Iron Ore 62% CFR China (TSI) Average Price Option for which the Clearing House has not been notified of exercise by the expiration time shall be deemed to be abandoned.
100210.3 The Clearing House shall confirm the assignment of an Iron Ore 62% CFR China (TSI) Average Price Option Contract to the seller as soon as reasonably practicable following the expiration time.
100211. **Underlying Reference Price**

100211.1 The Underlying Reference Price for each contract month is equal to the arithmetic average of the Iron Ore 62% Fe fines CFR Tianjin Port price assessment published by The Steel Index for each business day that it is determined during the contract month.

100212. **Final Settlement**

100212.1 Final settlement for the Iron Ore 62% CFR China (TSI) Average Price Option shall be by financial settlement.

100212.2 For call options, on expiration, the Final Settlement Value will be the greater of the Underlying Reference Price minus the Strike Price or zero, multiplied by the contract size. On exercise, the buyer shall receive the Final Settlement Value as directed by the Clearing House. On assignment, the seller shall pay the Final Settlement Value as directed by the Clearing House.

100212.3 For put options, on expiration, the Final Settlement Value will be the greater of the Strike Price minus the Underlying Reference Price or zero, multiplied by the contract size. On exercise, the buyer shall receive the Final Settlement Value as directed by the Clearing House. On assignment, the seller shall pay the Final Settlement Value as directed by the Clearing House.

100213. **Disclaimer**

100213.1 The Steel Index ("TSI") licenses CME Clearing Europe Ltd. ("CMECE") to use various TSI price assessments in connection with the trading or posting of the contracts.

Neither CMECE nor TSI guarantee the accuracy and/or completeness of the index or any of the data included therein. CMECE and TSI make no warranties, express or implied, as to the results to be obtained by any person or entity from use of the index, trading based on the index, or any data included therein in connection with the trading of the contracts, or, for any other use. CMECE and TSI make no warranties, express or implied, and hereby disclaim all warranties of merchantability or fitness for a particular purpose or use with respect to the index or any data included therein. Without limiting any of the foregoing, in no event shall CMECE or TSI have any liability for any lost profits or indirect, punitive, special or consequential damages (including lost profits), even if notified of the possibility of such damage.

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