

Chapter 1124

Indonesian Coal (McCloskey sub-bituminous) Average Price Option

1124100. SCOPE OF CHAPTER

This chapter is limited in application to put and call options on Indonesian Coal (McCloskey sub-bituminous) futures contracts. In addition to the rules of this chapter, transactions in options on Indonesian Coal (McCloskey sub-bituminous) futures shall be subject to the general rules of the Exchange insofar as applicable.

1124101. OPTION CHARACTERISTICS

The number of months open for trading at a given time shall be determined by the Exchange.

1124101.A. Trading Schedule

The hours of trading for this contract shall be determined by the Exchange.

1124101.B. Trading Unit

A Indonesian Coal (McCloskey sub-bituminous) Average Price Call Option traded on the Exchange represents the differential between the final settlement price of the underlying Indonesian Coal (McCloskey sub-bituminous) futures and the strike price, multiplied by 1,000 metric tons, or zero, whichever is greater. A Indonesian Coal (McCloskey sub-bituminous) Average Price Put Option traded on the Exchange represents the differential between the strike price and the final settlement price of the underlying Indonesian Coal (McCloskey sub-bituminous) futures, multiplied by 1,000 metric tons, or zero, whichever is greater.

1124101.C. Price Increments

Prices shall be quoted in dollars and cents per metric tons and prices shall be in multiples of \$0.01 per metric ton. The minimum price increment will be \$0.01.

1124101.D. Position Limits and Position Accountability

The applicable position limits and/or accountability levels, in addition to the reportable levels, are set forth in the Position Limit, Position Accountability and Reportable Level Table in the Interpretations & Special Notices Section of Chapter 5.

A Person seeking an exemption from position limits for bona fide commercial purposes shall apply to the Market Regulation Department on forms provided by the Exchange, and the Market Regulation Department may grant qualified exemptions in its sole discretion.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

1124101.E. Termination of Trading

The option contract shall expire at the close of trading on the day that is the last day in the contract month that is the last day of a working week in London. A working week is defined as Monday through Friday excluding any applicable public holidays. If such day is not an Clearing House business day, the contract shall terminate on the Clearing House business day immediately prior.

1124101.F. Type Option

The option is a European-style option cash settled on expiration day.

1124102. EXERCISE PRICES

Transactions shall be conducted for option contracts as set forth in Rule 300.20.

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