



Special Executive Report

DATE: June 23, 2011
SER#: 5817
SUBJECT: Listing of Four Options on Coal Swap Futures Contracts

Effective Sunday, July 10 2011, for trade date Monday, July 11, 2011, the New York Mercantile Exchange Inc. (NYMEX or Exchange) will list the following options contracts for trading on the NYMEX trading floor and for submission for clearing through CME ClearPort.

The Exchange will allow the exchange for related position (EFRP) transactions to be submitted through CME ClearPort. EFRP transactions in these futures contracts will be governed by the provisions of Exchange Rule 538.

Customer should note in particular the non-standard exercise procedures for these products, described below.

On exercise, each of these options will result in the delivery of a strip of swap NYMEX swap futures contracts, as described below.

Product	NYMEX Product Code	Rule Chapter	Future Deliverable upon Option Exercise
Coal (API 2) cif ARA (ARGUS-McCloskey) Option on Quarterly Futures Strip	CQA	909	MTF
Coal (API 2) cif ARA (ARGUS-McCloskey) Option on Calendar Futures Strip	CLA	910	MTF
Coal (API 4) fob Richards Bay (ARGUS-McCloskey) Option on Quarterly Futures Strip	RQA	917	MFF
Coal (API 4) fob Richards Bay (ARGUS-McCloskey) Option on Calendar Futures Strip	RLA	918	MFF

The contracts will be listed with NYMEX, and subject to the rules and regulations of NYMEX and Chicago Mercantile Exchange Inc.

Summary contract specifications:

Contract Unit:

- CQA, RQA: Strip of three futures contracts reflecting the underlying calendar quarter period, i.e. 1,000 metric tons per month, or 3,000 metric tons in total.
- CLA, RLA: Strip of twelve futures contracts reflecting the underlying calendar year period, i.e. 1,000 metric tons per month, or 12,000 metric tons in total.

Price Quotation: U.S. dollars and cents per metric ton.

Minimum Price Tick:

CQA, RQA: \$0.01 (\$30 tick value)
CLA, RLA: \$0.01 (\$120 tick value)

Listing Period:

CQA, RQA: 10 consecutive calendar quarters.
CLA, RLA: the next calendar year, and the subsequent calendar year following the expiry of Q2 option on quarterly strip.

Exercise Prices: Available in \$0.50 increments, i.e. \$x.00 and \$x.50 values.

First Listed Contact:

CQA, RQA: Q4 2011
CLA, RLA: Calendar year 2012

Termination of Trading: 2:30 p.m. London time, on the Expiration Day.

Expiration Day: Thirty days prior to the first calendar day of the contract period, if this day is not a UK business day, trading shall terminate on the preceding UK business day.

Option Expiration: Notice of Exercise must be received by the Clearing House no later than **3:00 p.m. London time** on the Expiration Day.

Automatic exercise of positions will not operate for these products. Customers must ensure that their clearing firm has provided the necessary exercise instructions to the Clearing House for all positions they consider to be in-the-money by the exercise deadline of 3:00 p.m. London time (i.e. 9:00 a.m. Chicago Time/CT).

Open Outcry Hours: Monday – Friday 9:00 a.m. to 2:30 p.m. (8:00 a.m. to 1:30 p.m. CT)

CME ClearPort Hours: Sunday – Friday 6:00 p.m. – 5:15 p.m. (5:00 p.m. – 4:15 p.m. CT) with a 45-minute break each day beginning at 5:15 p.m. (4:15 p.m. CT)

Settlement Methodology: Delivery of futures at the option exercise price, as described in the relevant Rule Chapter.

Exchange Fees

Fees in respect of these contracts have been set as follows:

CQA, RQA:

Exchange Fees					
	Member Day	Member	Cross Division	Non-Member	IIP
Pit	n/a	\$3.00	\$3.75	\$4.50	
ClearPort		\$3.00	n/a	\$4.50	

Other Processing Fees		
	Member	Non-Member
Futures from E/A	\$5.00	\$7.00
	House Acct	Customer Acct
Options E/A Notice	\$0.40	\$0.85

Additional Fees and Surcharges	
EFS Surcharge	n/a
Block Surcharge	n/a
Facilitation Desk Fee	\$0.20

CLA, RLA:

Exchange Fees					
	Member Day	Member	Cross Division	Non-Member	IIP
Pit	n/a	\$12.00	\$15.00	\$18.00	
ClearPort		\$12.00	n/a	\$18.00	

Other Processing Fees		
	Member	Non-Member
Futures from E/A	\$5.00	\$7.00
	House Acct	Customer Acct
Options E/A Notice	\$0.40	\$0.85

Additional Fees and Surcharges	
EFS Surcharge	n/a
Block Surcharge	n/a
Facilitation Desk Fee	\$0.20

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