

## Chapter 690 Cobalt Metal (Fastmarkets) Average Price Option

### 690100. SCOPE OF CHAPTER

This chapter is limited in application to put and call average price options on Cobalt Metal (Fastmarkets) Futures contract. In addition to the rules of this chapter, transactions in options on Cobalt Metal (Fastmarkets) Futures shall be subject to the general rules of the Exchange insofar as applicable.

### 690101. OPTION CHARACTERISTICS

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

#### **690101.A. Trading Schedule**

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

#### **690101.B. Trading Unit**

A Cobalt Metal (Fastmarkets) Average Price put option traded on the Exchange represents the cash difference between the exercise price and the settlement price of the Cobalt Metal (Fastmarkets) Futures multiplied by 2,204.62, or zero, whichever is greater. A Cobalt Metal (Fastmarkets) call option traded on the Exchange represents the cash difference between the settlement price of the Cobalt Metal (Fastmarkets) Futures and the exercise price multiplied by 2,204.62, or zero, whichever is greater.

#### **690101.C. Price Increments**

Prices shall be quoted in U.S. dollars and cents per pound. The minimum daily trading price fluctuation and minimum daily settlement price fluctuation shall be \$0.01 per pound. The minimum final settlement price fluctuation shall be \$0.01 per pound.

#### **690101D. Position Limits, Exemptions, Position Accountability and Reportable Levels**

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.

#### **690101.E. Termination of Trading**

The option shall expire at the close of trading on the last day of trading of the underlying Cobalt Metal (Fastmarkets) Futures contract.

#### **690101.F. Type of Option**

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

### 690102. EXERCISE PRICES AND CHARACTERISTICS

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

### 690103. DISCLAIMER

See [NYMEX/COMEX Chapter iv. \("DISCLAIMERS"\)](#) incorporated herein by reference.