

Chapter 645

Iron Ore 62% Fe, CFR North China (Platts) Average Price Option

645100. SCOPE OF CHAPTER

This chapter is limited in application to put and call options on Iron Ore 62% Fe, CFR North China (Platts) futures contracts. In addition to the rules of this chapter, transactions in options on Iron Ore 62% Fe, CFR North China (Platts) futures shall be subject to the general rules of the Exchange insofar as applicable.

645101. OPTION CHARACTERISTICS

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

645101.A. Trading Schedule

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

645101.B. Trading Unit

An Iron Ore 62% Fe, CFR North China (Platts) Average Price Option is a cash settled option. On expiration of a call option, the value will be the difference between the final settlement price of the contract month of the underlying Iron Ore 62% Fe, CFR North China (Platts) futures contract and the strike price multiplied by 500 tons, or zero, whichever is greater. On expiration of a put option, the value will be the difference between the strike price and the final settlement price of the contract month of the underlying Iron Ore 62% Fe, CFR North China (Platts) futures contract multiplied by 500 tons, or zero, whichever is greater.

645101.C. Price Increments

Prices shall be quoted in dollars and cents per dry metric ton. The minimum price increment will be \$0.01. A cabinet trade may occur at the price of \$0.002 per dry metric ton or \$1.00.

645101.D. 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.

645101.E. Termination of Trading

The option contract shall expire on the last business day of the contract month. If the last business day of the contract month is a Singapore holiday, the last trade date shall be the business day immediately preceding the holiday. Business days are based on the Singapore Public Holiday calendar.

645101.F. Type Option

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

645102. EXERCISE PRICES

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

645103. DISCLAIMER

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