



Special Executive Report

DATE: March 11, 2015
SER#: 7320
SUBJECT: Listing of Two New Coal Options on Futures Contracts

Effective Sunday, March 29, 2015, for trade date Monday, March 30, 2015, and pending all relevant CFTC regulatory review periods, the New York Mercantile Exchange, Inc. (NYMEX or Exchange) will list two new options on coal futures contracts for trading on CME Globex and the NYMEX trading floor, and for submission for clearing through CME ClearPort.

Also concurrent with the launch of these contracts, and pending all relevant CFTC regulatory review periods, the Exchange will permit block trading pursuant to Rule 526 (Block Trades) in these contracts. The minimum block level threshold for each contract is indicated below.

The contract titles, commodity codes, rule chapters, and specifications are provided below.

Contract Name	Coal (API 2) cif ARA (Argus/McCloskey) Short Dated Option on Calendar Futures Strip	Coal (API 4) fob Richards Bay (Argus/McCloskey) Short Dated Option on Calendar Futures Strip
Commodity Code	MTC	MFY
Chapter	1115	1114
Underlying Futures Contract	Coal (API2) CIF ARA (ARGUS/McCloskey) Futures	Coal (API4) FOB Richards Bay (ARGUS/McCloskey) Futures
Underlying Futures Code	MTF	MFF

Listing Schedule:

CME Globex, CME ClearPort, New York Trading Floor:

April, July and October contracts listed for the current calendar year and next calendar year

First Listed Contract Month:

July 2015

Option Type:

European Style

Strike Prices:

Available in \$0.50 per metric ton increments, i.e. \$x.00 and \$x.50 values.

Settlement Methodology:

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

Contract Underlying:

Strip of twelve futures contracts reflecting the underlying calendar year period, ie 1,000 metric tons per month, or 12,000 metric tons in total.

The underlying calendar year is the full calendar year following the expiry of the option, for example the underlying for the July 2015 option is the strip of twelve contract months from January 2016 to December 2016 inclusive.

Minimum Price Fluctuation:

\$0.01 per metric ton (\$120 tick value)

Expiration Day:

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

Option Exercise:

Trading shall cease at 5.00 p.m. London time. Options that are in-the-money with respect to the end-of-day coal prices published by the London Energy Brokers' Association (LEBA) for the underlying reference calendar year will be automatically exercised by the Exchange. Holders of long positions will have the ability to submit contra-exercise instructions until the later of 6.00 p.m. London time and fifteen (15) minutes after the publication of the reference price by LEBA.

Trading Hours:

Open Outcry: Monday – Friday 9:00 a.m. – 2:30 p.m. (8:00 a.m. – 1:30 p.m. Central Time/CT).
 CME Globex and CME ClearPort Trading 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)

CME Globex Match Algorithm:

First In First Out (F)

Minimum Block Level Threshold:

5 contracts

Fee Schedule:

Exchange Fees					
	Member Day	Member	Cross Division	Non-Member	IIP
Pit	\$12.00	\$12.00	\$15.00	\$18.00	
CME Globex	\$12.00	\$12.00	\$15.00	\$18.00	\$15.00
CME ClearPort		\$12.00		\$18.00	
Agency Cross		\$12.00		\$18.00	

Other Processing Fees		
	House Acct	Customer Acct
Options E/A Notice	\$0.40	\$0.85
Additional Fees and Surcharges		
Facilitation Desk Fee	\$0.20	

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