CME Group

Special Executive Report

DATE: **June 14, 2017**

SER#: **7935**

SUBJECT: **Initial Listing of Four (4) Coal Option Contracts with Future-Style Margining**

Effective Sunday, July 9, 2017, for trade date Monday, July 10, 2017, and pending all relevant CFTC regulatory review periods, New York Mercantile Exchange, Inc. (“NYMEX” or “Exchange”) will list four (4) coal option contracts (the “Contracts”) for trading on the CME Globex electronic platform and for submission for clearing via CME ClearPort as more specifically described below. The option contracts are margined “future-style” and have an earlier exercise time on the expiration day than the existing “equity-style” margined coal options. On expiration day, the options will cease trading at 12:30 p.m. London time. The Exchange will auto-exercise the options with reference to the intraday price assessments for coal markets provided by the London Energy Brokers’ Association (“LEBA”). Participants will have the possibility to submit contra-instructions in accordance with the Exchange rules up to 2:30 p.m. London time on expiration day.

Contract Title	Coal (API 2) cif ARA (Argus/McCloskey) Future-Style Margined Option on Calendar Futures Strip
Commodity Code	F2C
Rulebook Chapter	1116
Settlement Method	Exercise into futures
Contract Size	1,000 MT (metric tons) per month
Listing Schedule	Annual contracts listed for 2 consecutive years
Minimum Price Fluctuation	$0.01 per metric ton
Value per Tick	$120.00
First Listed Months	Calendar year 2018
Block Trade Minimum Threshold	5 contracts
Termination of Trading	Trading terminates 30 calendar days prior to the first calendar day of the first month in the strip at 12:30 pm London Time. If such day is not a UK business day, trading terminates on the preceding UK business day.
Exercise Style	European
Strike Increment	$0.50
Strike Price Listing Rule	Dynamic strikes only at $0.50 per metric ton strike increment
Underlying Futures Contract	Coal (API2) cif ARA (Argus/McCloskey) Futures
CME Globex Matching Algorithm	FIFO

Contract Title	Coal (API 2) cif ARA (Argus/McCloskey) Future-Style Margined Option on Quarterly Futures Strip
Commodity Code	F2Q
Rulebook Chapter	1117
Settlement Method	Exercise into futures
Contract Size	1,000 MT (metric tons) per month
Listing Schedule	Quarterly contracts listed for 10 consecutive quarters
Minimum Price Fluctuation	$0.01 per metric ton
Value per Tick	$30.00

First Listed Months	Fourth Quarter 2017
Block Trade Minimum Threshold	5 contracts
Termination of Trading	Trading terminates 30 calendar days prior to the first calendar day of the first month in the strip at 12:30 pm London Time. If such day is not a UK business day, trading terminates on the preceding UK business day.
Exercise Style	European
Strike Increment	$0.50
Strike Price Listing Rule	Dynamic strikes only at $0.50 per metric ton strike increment
Underlying Futures Contract	Coal (API2) cif ARA (Argus/McCloskey) Futures
CME Globex Matching Algorithm	FIFO

Contract Title	Coal (API 4) fob Richards Bay (Argus/McCloskey) Future-Style Margined Option on Calendar Futures Strip
Commodity Code	F4C
Rulebook Chapter	1118
Settlement Method	Exercise into futures
Contract Size	1,000 MT (metric tons) per month
Listing Schedule	Annual contracts listed for 2 consecutive years
Minimum Price Fluctuation	$0.01 per metric ton
Value per Tick	$120.00
First Listed Months	Calendar year 2018
Block Trade Minimum Threshold	5 contracts
Termination of Trading	Trading terminates 30 calendar days prior to the first calendar day of the first month in the strip at 12:30 pm London Time. If such day is not a UK business day, trading terminates on the preceding UK business day.
Exercise Style	European
Strike Increment	$0.50
Strike Price Listing Rule	Dynamic strikes only at $0.50 per metric ton strike increment
Underlying Futures Contract	Coal (API4) FOB Richards Bay (Argus/McCloskey) Futures
CME Globex Matching Algorithm	FIFO

Contract Title	Coal (API 4) fob Richards Bay (Argus/McCloskey) Future-Style Margined Option on Quarterly Futures Strip
Commodity Code	F4Q
Rulebook Chapter	1119
Settlement Method	Exercise into futures
Contract Size	1,000 MT (metric tons) per month
Listing Schedule	Quarterly contracts listed for 10 consecutive quarters
Minimum Price Fluctuation	$0.01 per metric ton
Value per Tick	$30.00
First Listed Months	Fourth Quarter 2017
Block Trade Minimum Threshold	5 contracts
Termination of Trading	Trading terminates 30 calendar days prior to the first calendar day of the first month in the strip at 12:30 pm London Time. If such day is not a UK business day, trading terminates on the preceding UK business day.
Exercise Style	European

Strike Increment	$0.50
Strike Price Listing Rule	Dynamic strikes only at $0.50 per metric ton strike increment
Underlying Futures Contract	Coal (API4) FOB Richards Bay (Argus/McCloskey) Futures
CME Globex Matching Algorithm	FIFO

Trading and Clearing Hours:

CME Globex and CME ClearPort	Sunday - Friday 6:00 p.m. - 5:00 p.m. (5:00 p.m. - 4:00 p.m. Central Time/CT) with a 60-minute break each day beginning at 5:00 p.m. (4:00 p.m. CT)

Exchange Fees:

Coal (API 2) cif ARA (Argus/McCloskey) Future-Style Margined Option on Calendar Futures Strip
Coal (API 4) fob Richards Bay (Argus/McCloskey) Future-Style Margined Option on Calendar Futures Strip

Exchange Fees	Member	Non-Member	International Incentive Programs (IIP/IVIP)
CME Globex	$12.00	$18.00	$15.00
EFP	$12.00	$18.00	
Block	$12.00	$18.00	
EFR/EOO	$12.00	$18.00	

Processing Fees	Member	Non-Member
Futures from Exercise/Assignment	$5.00	$7.00
	House Account	**Customer Account**
Option Exercise/Assignment Notice	$0.40	$0.85

Other Processing Fees	Fee
Facilitation Fee	$0.60
Give-Up Surcharge	$0.05
Position Adjustment/Position Transfer	$0.10

Coal (API 2) cif ARA (Argus/McCloskey) Future-Style Margined Option on Quarterly Futures Strip
Coal (API 4) fob Richards Bay (Argus/McCloskey) Future-Style Margined Option on Quarterly Futures Strip

Exchange Fees	Member	Non-Member	International Incentive Programs (IIP/IVIP)
CME Globex	$3.00	$4.50	$3.75
EFP	$3.00	$4.50	
Block	$3.00	$4.50	
EFR/EOO	$3.00	$4.50	

Processing Fees	Member	Non-Member
Futures from Exercise/Assignment	$5.00	$7.00
	House Account	**Customer Account**
Option Exercise/Assignment Notice	$0.40	$0.85

Other Processing Fees	Fee
Facilitation Fee	$0.60

Give-Up Surcharge	$0.05
Position Adjustment/Position Transfer	$0.10

For additional information, please contact:

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