


CME Group | Advisory Notice

14-210

TO: Clearing Member Firms; Back Office Managers; Bookkeeping Software Providers; ISVs

FROM: CME Clearing

DATE: Thursday, May 29, 2014

SUBJECT: Auto-exercise for API Coal Options on Strips

Effective starting with the July 2014 expirations, and pending all relevant CFTC regulatory review periods, please be advised that the New York Mercantile Exchange, Inc. (NYMEX or EXCHANGE) will introduce auto-exercise on expiry on the below listed option products.

Additionally:

- Expiration time will change from 15:00 London time to 17:00 London time
- For the expiry/exercise/assignment process to occur during the London business day CME Group will use the end-of-day coal market data published by the London Energy Brokers Association ('LEBA') as the price reference.
- The proposed expiration day timetable is:
 - 17:00 London time (11:00 CT): cessation of trading of expiring contracts;
 - 17:45 London time (11:45 CT): by this time, third party (LEBA) data received;
 - 18:00 London time (12:00 CT): by this time, at-the-money cut off applied to open positions;
 - 18:00 London time (12:00 CT): contra-instruction deadline;
 - 18:30 London time(12:30 CT): announce OTM exercise / ITM abandon submissions.

Code Clearing / Globex	Product	First Affected Contract
CQA / CQA	Coal (API 2) cif ARA (ARGUS-McCloskey) Option on Quarterly Futures Strip	July 2014
CLA / CLB	Coal (API 2) cif ARA (ARGUS-McCloskey) Option on Calendar Futures Strip	Jan 2015 (2015 Calendar Year)
RQA / RQA	Coal (API 4) fob Richards Bay (ARGUS-McCloskey) Option on Quarterly Fut Strip	July 2014
RLA / RLA	Coal (API 4) fob Richards Bay (ARGUS-McCloskey) Option on Calendar Fut Strip	Jan 2015 (2015 Calendar Year)

Information Contacts		
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Globex Information	Global Command Center	(800) 438-8616
Performance Bond Information	Risk Management Dept.	(312) 648-3888
Position Limits	Market Regulation	(312) 341-7970
Clearing Fees	Clearing Fee Hotline	(312) 648-5470

Regards,
CME Clearing