

**SUBMISSION COVER SHEET**

**IMPORTANT:** Check box if Confidential Treatment is requested

Registered Entity Identifier Code (optional): 20-412

Organization: New York Mercantile Exchange, Inc. ("NYMEX")

Filing as a:  DCM  SEF  DCO  SDR

Please note - only ONE choice allowed.

Filing Date (mm/dd/yy): 10/08/20 Filing Description: Amendments to the Termination of Trading Rule of Eight (8) Coal Futures and Options Contracts

**SPECIFY FILING TYPE**

Please note only ONE choice allowed per Submission.

**Organization Rules and Rule Amendments**

- Certification § 40.6(a)
- Approval § 40.5(a)
- Notification § 40.6(d)
- Advance Notice of SIDCO Rule Change § 40.10(a)
- SIDCO Emergency Rule Change § 40.10(h)

**Rule Numbers:**

**New Product**

Please note only ONE product per Submission.

- Certification § 40.2(a)
- Certification Security Futures § 41.23(a)
- Certification Swap Class § 40.2(d)
- Approval § 40.3(a)
- Approval Security Futures § 41.23(b)
- Novel Derivative Product Notification § 40.12(a)
- Swap Submission § 39.5

**Product Terms and Conditions (product related Rules and Rule Amendments)**

- Certification § 40.6(a)
- Certification Made Available to Trade Determination § 40.6(a)
- Certification Security Futures § 41.24(a)
- Delisting (No Open Interest) § 40.6(a)
- Approval § 40.5(a)
- Approval Made Available to Trade Determination § 40.5(a)
- Approval Security Futures § 41.24(c)
- Approval Amendments to enumerated agricultural products § 40.4(a), § 40.5(a)
- "Non-Material Agricultural Rule Change" § 40.4(b)(5)
- Notification § 40.6(d)

Official Name(s) of Product(s) Affected: See filing.

Rule Numbers: See filing.

October 8, 2020

**VIA ELECTRONIC PORTAL**

Mr. Christopher J. Kirkpatrick  
Office of the Secretariat  
Commodity Futures Trading Commission  
Three Lafayette Centre  
1155 21st Street, N.W.  
Washington, D.C. 20581

**Re: CFTC Regulation 40.6(a) Certification. Amendments to the Termination of Trading Rule of Eight (8) Coal Futures and Options Contracts. NYMEX Submission No. 20-412**

Dear Mr. Kirkpatrick:

New York Mercantile Exchange, Inc. (“NYMEX” or “Exchange”) is certifying to the Commodity Futures Trading Commission (“CFTC” or “Commission”) amendments to the Termination of Trading rules of eight (8) coal futures and option contracts (the “Contracts”) in the table below to align the Contracts’ last trade date (“LTD”) for December contract months with Argus’ current practice effective on Sunday, November 8, 2020, for trade date Monday, November 9, 2020.

Contract Title	CME Globex/ CME ClearPort Code	NYMEX Rulebook Chapter
ICI 4 Indonesian Coal Index (Argus/Coalindo) Futures	ICI	1125
Coal (API 2) cif ARA (Argus/McCloskey) Futures	MTF	926
Coal (API 4) fob Richards Bay (Argus/McCloskey) Futures	MFF	928
Coal (API 5) fob Newcastle (Argus/McCloskey) Futures	ACM	1104
Coal (API 8) cfr South China (Argus/McCloskey) Futures	SSI	1113
Micro Coal (API 5) fob Newcastle (Argus/McCloskey) Futures	M5F	1131
Coal (API 2) cif ARA (Argus/McCloskey) Option	MTO	927
Coal (API 4) fob Richards Bay (Argus/McCloskey) Option	MFO	929

Specifically, the Exchange will delete differing references of the LTD for December contract months for calendar years in which New Year’s Day of the following January is a Friday. For example, the December 2020 contract month of the Contracts will terminate trading on Thursday, December 24, 2020. This will align the Contracts’ termination of trading to the date in which the underlying API and ICI index values used for cash settlement of the Contracts will become final. There will be no change to the final settlement of the December contract months of the Contracts.

In addition, NYMEX is reformatting certain rulebook chapters. These changes are non-substantive and align the chapters with currently-used rulebook conventions (collectively, the “Rule Amendments”).

The Exchange reviewed the designated contract market core principles (“Core Principles”) as set forth in the Commodity Exchange Act (“CEA” or “Act”) and identified that the following Core Principles may be impacted as follows:

- **Availability of General Information:** NYMEX will issue a Special Executive Report (“SER”) to the marketplace regarding the Rule Amendments. The SER will also be posted on the CME Group website.
- **Daily Publication of Trading Information:** The Exchange shall continue to make public daily information on settlement prices, volume, open interest, and opening and closing ranges for the Contracts.
- **Compliance with Rules:** Trading in the Contracts will continue to be subject to all NYMEX Rules, including prohibitions against fraudulent, noncompetitive, unfair and abusive practices as outlined in NYMEX Rule Chapter 4, the Exchange’s trade practice rules, the majority of which are contained in Chapter 5 and Chapter 8 of the NYMEX Rulebook, and the dispute resolution and arbitration procedures of NYMEX Rule Chapter 6. As with all products listed for trading on one of CME Group’s designated contract markets, trading activity in the Contracts will be subject to monitoring and surveillance by CME Group’s Market Regulation Department. The Market Regulation Department has the authority to exercise its investigatory and enforcement power where potential rule violations are identified.

Pursuant to Section 5c(c) of the Act and CFTC Regulation 40.6(a), the Exchange hereby certifies that the Rule Amendments comply with the Act, including regulations under the Act. There were no substantive opposing views to the Rule Amendments.

The Exchange certifies that this submission has been concurrently posted on the Exchange’s website at <http://www.cmegroup.com/market-regulation/rule-filings.html>.

Should you have any questions concerning the above, please contact the undersigned at 212-299-2200 or via e-mail at [CMEGSubmissionInquiry@cmegroup.com](mailto:CMEGSubmissionInquiry@cmegroup.com).

Sincerely,

/s/ Christopher Bowen  
Managing Director and Chief Regulatory Counsel

Attachment: Exhibit A - Amendments to NYMEX Rulebook Chapters (blackline format)

## Exhibit A

### **NYMEX Rulebook**

(additions underlined; deletions ~~struck through~~)

#### **Chapter 1125 Coal (ICI 4) Indonesian Coal Index (Argus/Coalindo) Futures**

\* \* \*

##### **1125102. TRADING SPECIFICATIONS**

\* \* \*

**1125102.E. Termination of Trading** The contract shall terminate at the close of trading on the last Friday of the contract month. If such Friday is a Singapore holiday, the contract will terminate on the Singapore business day immediately prior to the last Friday of the contract month unless such day is not an Exchange business day, in which case the contract shall terminate on the Exchange business day immediately prior. ~~Notwithstanding the above, if New Year's Day is a Friday, the immediately preceding December contract month shall terminate on the last business day of the contract month.~~

[Remainder of Chapter unchanged.]

#### **Chapter 926 Coal (API 2) CIF ARA (ARGUS-McCloskey) Futures**

##### **926.01. SCOPE**

~~The provisions of these rules shall apply to all contracts bought or sold on the Exchange for cash settlement based on the Floating Price.~~

##### **926.02. FLOATING PRICE**

~~The Floating Price for each contract month shall be equal to the (API 2) cif ARA Monthly Coal Price Index published in the Argus/McCloskey's Coal Price Index Report (i.e. being the average of weekly prices during the contract month).~~

##### **926.03. CONTRACT QUANTITY AND VALUE**

~~The contract quantity shall be 1,000 metric tons. Each contract shall be valued as the contract quantity (1,000 metric tons) multiplied by the settlement price.~~

##### **926.04. CONTRACT MONTHS**

~~Trading shall be conducted in contracts in such months as shall be determined by the Exchange.~~

##### **926.05. PRICES AND FLUCTUATIONS**

~~Prices shall be quoted in U.S. dollars and cents per metric ton. The minimum price fluctuation shall be \$0.05 (5¢) per metric ton. The minimum final settlement is \$0.01 per metric ton. There shall be no maximum price fluctuation.~~

##### **926.06. TERMINATION OF TRADING**

~~The contract shall terminate at the close of trading on the last Friday of the contract month. If such Friday is a UK holiday, the contract will terminate on the UK business day immediately prior to the last Friday of the contract month unless such day is not an Exchange business day, in which case the contract shall terminate on the Exchange business day immediately prior. Notwithstanding the above, if New Year's Day is a Friday, the immediately preceding December contract month shall terminate on the last business day of the contract month.~~

##### **926.07. FINAL SETTLEMENT**

~~Delivery under the contract shall be by cash settlement. Final settlement, following termination of trading for a contract month, will be based on the Floating Price. The final settlement price will be the Floating Price calculated for each contract month.~~

**926.08. EXCHANGE FOR RELATED POSITION TRANSACTIONS**

Any exchange for related position (“EFRP”) transactions shall be governed by the provisions of Exchange rule 538.

**926.09. DISCLAIMER**

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

**926100. SCOPE OF CHAPTER**

The provisions of these rules shall apply to all futures contracts bought or sold on the Exchange for cash settlement based on the Floating Price. The procedures for trading, clearing and cash settlement of this contract, and any other matters not specifically covered herein shall be governed by the general rules of the Exchange.

**926101. CONTRACT SPECIFICATIONS**

The Floating Price for each contract month shall be equal to the (API 2) cif ARA Monthly Coal Price Index published in the Argus/McCloskey’s Coal Price Index Report (i.e. being the average of weekly prices during the contract month).

**926102. TRADING SPECIFICATIONS**

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

**926102.A. Trading Schedule**

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

**926102.B. Trading Unit**

The contract quantity shall be 1,000 metric tons. Each contract shall be valued as the contract quantity (1,000 metric tons) multiplied by the settlement price.

**926102.C. Price Increments**

Prices shall be quoted in U.S. dollars and cents per metric ton. The minimum price fluctuation shall be \$0.05 (5¢) per metric ton. The minimum final settlement is \$0.01 per metric ton. There shall be no maximum price fluctuation.

**926102.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.

**926102.E. Termination of Trading**

The contract shall terminate at the close of trading on the last Friday of the contract month. If such Friday is a UK holiday, the contract will terminate on the UK business day immediately prior to the last Friday of the contract month unless such day is not an Exchange business day, in which case the contract shall terminate on the Exchange business day immediately prior.

**926103. FINAL SETTLEMENT**

Delivery under the contract shall be by cash settlement. Final settlement, following termination of trading for a contract month, will be based on the Floating Price. The final settlement price will be the Floating Price calculated for each contract month.

**926104. DISCLAIMER**

The Coal (API 2) CIF ARA (ARGUS-McCloskey) Futures are not sponsored, endorsed, sold or promoted by Argus or IHS. Argus and IHS make no representation or warranty, express or implied, to the owners of the Coal (API 2) CIF ARA (ARGUS-McCloskey) Futures or any member of the public regarding the advisability of trading in the Coal (API 2) CIF ARA (ARGUS-McCloskey) Futures. Argus' and IHS' only relationship to Chicago Mercantile Exchange Inc., and New York Mercantile Exchange, Inc., (together "CME") is the licensing of certain trademarks and trade names of Argus and IHS and of the API 2, API 3, API 4, API 5, API 6, API 8 and API 12 indexes which are determined, composed and calculated by Argus and IHS without regard to CME or the Coal (API 2) CIF ARA (ARGUS-McCloskey) Futures. Argus and IHS have no obligation to take the needs of CME or the owners of the Coal (API 2) CIF ARA (ARGUS-McCloskey) Futures into consideration in determining, composing or calculating the API 2, API 3, API 4, API 5, API 6, API 8 and API 12 indexes. Argus and IHS are not responsible for and have not participated in the determination of the timing of, prices at, or quantities of the Coal (API 2) CIF ARA (ARGUS-McCloskey) Futures to be listed or in the determination or calculation of the equation by which the Coal (API 2) CIF ARA (ARGUS-McCloskey) Futures are to be converted into cash. Argus and IHS have no obligation or liability in connection with the administration, marketing or trading of the Coal (API 2) CIF ARA (ARGUS-McCloskey) Futures.

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**Chapter 928**  
**Coal (API 4) FOB Richards Bay (ARGUS-McCloskey) Futures**

**928.01. SCOPE**

The provisions of these rules shall apply to all contracts bought or sold on the Exchange for cash settlement based on the Floating Price.

**928.02. FLOATING PRICE**

The Floating Price for each contract month shall be equal to the (API 4) FOB Richards Bay Monthly Coal Price Index published in the Argus/McCloskey's Coal Price Index Report (i.e. being the average of weekly prices during the contract month).

**928.03. CONTRACT QUANTITY AND VALUE**

The contract quantity shall be 1,000 metric tons. Each contract shall be valued as the contract quantity (1,000 metric tons) multiplied by the settlement price.

**928.04. CONTRACT MONTHS**

Trading shall be conducted in contracts in such months as shall be determined by the Exchange.

**928.05. PRICES AND FLUCTUATIONS**

Prices shall be quoted in U.S. dollars and cents per metric ton. The minimum price fluctuation shall be \$0.05 (5¢) per metric ton. The minimum final settlement is \$0.01 per metric ton. There shall be no maximum price fluctuation.

**928.06. TERMINATION OF TRADING**

The contract shall terminate at the close of trading on the last Friday of the contract month. If such Friday is a UK holiday, the contract will terminate on the UK business day immediately prior to the last Friday of the contract month unless such day is not an Exchange business day, in which case the contract shall terminate on the Exchange business day immediately prior. Notwithstanding the above, if New Year's Day is a Friday, the immediately preceding December contract month shall terminate on the last business day of the contract month.

**928.07. FINAL SETTLEMENT**

Delivery under the contract shall be by cash settlement. Final settlement, following termination of trading for a contract month, will be based on the Floating Price. The final settlement price will be the Floating Price calculated for each contract month.

**928.08. EXCHANGE FOR RELATED POSITION TRANSACTIONS**

Any exchange for related position ("EFRP") transactions shall be governed by the provisions of Exchange rule 538.

**928.09. DISCLAIMER**

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

**928100. SCOPE OF CHAPTER**

The provisions of these rules shall apply to all futures contracts bought or sold on the Exchange for cash settlement based on the Floating Price. The procedures for trading, clearing and cash settlement of this contract, and any other matters not specifically covered herein shall be governed by the general rules of the Exchange.

**928101. CONTRACT SPECIFICATIONS**

The Floating Price for each contract month shall be equal to the (API 4) fob Richards Bay Monthly Coal Price Index published in the Argus/McCloskey's Coal Price Index Report (i.e. being the average of weekly prices during the contract month).

**928102. TRADING SPECIFICATIONS**

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

**928102.A. Trading Schedule**

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

**928102.B. Trading Unit**

The contract quantity shall be 1,000 metric tons. Each contract shall be valued as the contract quantity (1,000 metric tons) multiplied by the settlement price.

**928102.C. Price Increments**

Prices shall be quoted in U.S. dollars and cents per metric ton. The minimum price fluctuation shall be \$0.05 (5¢) per metric ton. The minimum final settlement is \$0.01 per metric ton. There shall be no maximum price fluctuation.

**928102.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.

#### **928102.E. Termination of Trading**

The contract shall terminate at the close of trading on the last Friday of the contract month. If such Friday is a UK holiday, the contract will terminate on the UK business day immediately prior to the last Friday of the contract month unless such day is not an Exchange business day, in which case the contract shall terminate on the Exchange business day immediately prior.

#### **928103. FINAL SETTLEMENT**

Delivery under the contract shall be by cash settlement. Final settlement, following termination of trading for a contract month, will be based on the Floating Price. The final settlement price will be the Floating Price calculated for each contract month.

#### **928104. DISCLAIMER**

The Coal (API 4) FOB Richards Bay (ARGUS-McCloskey) Futures are not sponsored, endorsed, sold or promoted by Argus or IHS. Argus and IHS make no representation or warranty, express or implied, to the owners of the Coal (API 4) FOB Richards Bay (ARGUS-McCloskey) Futures or any member of the public regarding the advisability of trading in the Coal (API 4) FOB Richards Bay (ARGUS-McCloskey) Futures. Argus' and IHS' only relationship to Chicago Mercantile Exchange Inc., and New York Mercantile Exchange, Inc., (together "CME") is the licensing of certain trademarks and trade names of Argus and IHS and of the API 2, API 3, API 4, API 5, API 6, API 8 and API 12 indexes which are determined, composed and calculated by Argus and IHS without regard to CME or the Coal (API 4) FOB Richards Bay (ARGUS-McCloskey) Futures. Argus and IHS have no obligation to take the needs of CME or the owners of the Coal (API 4) FOB Richards Bay (ARGUS-McCloskey) Futures into consideration in determining, composing or calculating the API 2, API 3, API 4, API 5, API 6, API 8 and API 12 indexes. Argus and IHS are not responsible for and have not participated in the determination of the timing of, prices at, or quantities of the Coal (API 4) FOB Richards Bay (ARGUS-McCloskey) Futures to be listed or in the determination or calculation of the equation by which the Coal (API 4) FOB Richards Bay (ARGUS-McCloskey) Futures are to be converted into cash. Argus and IHS have no obligation or liability in connection with the administration, marketing or trading of the Coal (API 4) FOB Richards Bay (ARGUS-McCloskey) Futures.

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**Chapter 1104**  
**Coal (API 5) FOB Newcastle (Argus/McCloskey) Futures**

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**1104102.**

**TRADING SPECIFICATIONS**

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**1104102.E. Termination of Trading** The contract shall terminate at the close of trading on the last Friday of the contract month. If such Friday is a UK holiday, the contract will terminate on the UK business day immediately prior to the last Friday of the contract month unless such day is not an Exchange business day, in which case the contract shall terminate on the Exchange business day immediately prior. ~~Notwithstanding the above, if New Year's Day is a Friday, the immediately preceding December contract month shall terminate on the last business day of the contract month.~~

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**1104104.**

**DISCLAIMER**

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

The Coal (API 5) FOB Newcastle (Argus/McCloskey) Futures are not sponsored, endorsed, sold or promoted by Argus or IHS. Argus and THS make no representation or warranty, express or implied, to the owners of the Coal (API 5) FOB Newcastle (Argus/McCloskey) Futures or any member of the public regarding the advisability of trading in the Coal (API 5) FOB Newcastle (Argus/McCloskey) Futures. Argus' and IHS' only relationship to Chicago Mercantile Exchange Inc., and New York Mercantile Exchange, Inc., (together "CME") is the licensing of certain trademarks and trade names of Argus and IHS and of the API 2, API 3, API 4, API 5, API 6, API 8 and API 12 indexes which are determined, composed and calculated by Argus and IHS without regard to CME or the Coal (API 5) FOB Newcastle (Argus/McCloskey) Futures. Argus and IHS have no obligation to take the needs of CME or the owners of the Coal (API 5) FOB Newcastle (Argus/McCloskey) Futures into consideration in determining, composing or calculating the API 2, API 3, AP( 4, API 5, API 6, API 8 and APJ 12 indexes . Argus and IHS are not responsible for and have not participated in the determination of the timing of, prices at, or quantities of the Coal (API 5) FOB Newcastle (Argus/McCloskey) Futures to be listed or in the determination or calculation of the equation by which the Coal (API 5) FOB Newcastle (Argus/McCloskey) Futures are to be converted into cash. Argus and IHS have no obligation or liability in connection with the administration, marketing or trading of the Coal (API 5) FOB Newcastle (Argus/McCloskey) Futures.

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BENEFICIARIES OF ANY AGREEMENTS OR ARRANGEMENTS BETWEEN ARGUS, IHS, AND CME.

## **Chapter 1113** **Coal (API 8) cfr South China (Argus/McCloskey) Futures**

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**1113102.**

### **TRADING SPECIFICATIONS**

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**1113102.E. Termination of Trading** The contract shall terminate at the close of trading on the last Friday of the contract month. If such Friday is a UK holiday, the contract will terminate on the UK business day immediately prior to the last Friday of the contract month unless such day is not an Exchange business day, in which case the contract shall terminate on the Exchange business day immediately prior. ~~Notwithstanding the above, if New Year's Day is a Friday, the immediately preceding December contract month shall terminate on the last business day of the contract month.~~

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**1113104.**

### **DISCLAIMER**

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

The Coal (API 8) cfr South China (Argus/McCloskey) Futures are not sponsored, endorsed, sold or promoted by Argus or IHS. Argus and IHS make no representation or warranty, express or implied, to the owners of the Coal (API 8) cfr South China (Argus/McCloskey) Futures or any member of the public regarding the advisability of trading in the Coal (API 8) cfr South China (Argus/McCloskey) Futures. Argus' and IHS' only relationship to Chicago Mercantile Exchange Inc., and New York Mercantile Exchange, Inc., (together "CME") is the licensing of certain trademarks and trade names of Argus and IHS and of the API 2, API 3, API 4, API 5, API 6, API 8 and API 12 indexes which are determined, composed and calculated by Argus and IHS without regard to CME or the Coal (API 8) cfr South China (Argus/McCloskey) Futures. Argus and IHS have no obligation to take the needs of CME or the owners of the Coal (API 8) cfr South China (Argus/McCloskey) Futures into consideration in determining, composing or calculating the API 2, API 3, API 4, API 5, API 6, API 8 and API 12 indexes. Argus and IHS are not responsible for and have not participated in the determination of the timing of, prices at, or quantities of the Coal (API 8) cfr South China (Argus/McCloskey) Futures to be listed or in the determination or calculation of the equation by which the Coal (API 8) cfr South China (Argus/McCloskey) Futures are to be converted into cash. Argus and IHS have no obligation or liability in connection with the administration, marketing or trading of the Coal (API 8) cfr South China (Argus/McCloskey) Futures.

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**Chapter 1131**  
**Micro Coal (API 5) FOB Newcastle (Argus/McCloskey) Futures**

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1131102.

**TRADING SPECIFICATIONS**

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**1131102.E. Termination of Trading** The contract shall terminate at the close of trading on the last Friday of the contract month. If such Friday is a UK holiday, the contract will terminate on the UK business day immediately prior to the last Friday of the contract month unless such day is not an Exchange business day, in which case the contract shall terminate on the Exchange business day immediately prior. ~~Notwithstanding the above, if New Year's Day is a Friday, the immediately preceding December contract month shall terminate on the last business day of the contract month.~~

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1131104.

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

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## Chapter 927 Coal (API 2) cif ARA (Argus/McCloskey) Option

### **927.01. EXPIRATION**

~~The Coal (API 2) cif ARA (Argus/McCloskey) Option expiration shall be on the last Friday of the contract month. If such Friday is a UK holiday, the contract will expire on the UK business day immediately prior to the last Friday of the contract month unless such day is not an Exchange business day, in which case the contract will expire on the Exchange business day immediately prior. Notwithstanding the above, if New Year's Day is a Friday, the immediately preceding December contract month shall expire on the last business day of the contract month.~~

### **927.02. TYPE OF OPTION**

~~Coal (API 2) cif ARA (Argus/McCloskey) Option is a financially settled European-style option. The option cannot be exercised prior to expiration.~~

### **927.03. TRADING UNIT**

~~On the expiration of a call option, the option will be financially settled to the greater of zero or the value produced by subtracting the strike price from the Floating Price of the Coal (API 2) cif ARA (Argus/McCloskey) Futures contract for the same contract month, multiplied by 1,000 metric tons. On the expiration of a put option, the option will be financially settled to the greater of zero or the value produced by subtracting the Floating Price of the Coal (API 2) cif ARA (Argus/McCloskey) Futures contract for the same contract month from the strike price, multiplied by 1,000 metric tons.~~

### **927.04. HOURS OF TRADING**

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

### **927.05. TRADING MONTHS**

~~Trading in Coal (API 2) cif ARA (Argus/McCloskey) Option contracts shall be conducted in the months as shall be determined by the Exchange.~~

### **927.06. STRIKE PRICES**

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

### **927.07. PRICES**

~~Prices shall be quoted in dollars and cents per metric ton. The minimum price fluctuation shall be \$0.01 per metric ton. The minimum final settlement is \$0.01 per metric ton. A cabinet trade may occur at the price of \$0.01 per metric ton or \$1.00, however, if it results in the liquidation of positions of both parties to the trade.~~

### **927.08. ABSENCE OF PRICE FLUCTUATION LIMITATIONS**

~~Trading in Coal (API 2) cif ARA (Argus/McCloskey) Option shall not be subject to price fluctuation limitations.~~

### **927.09. DISCLAIMER**

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

### **927100. SCOPE OF CHAPTER**

~~This chapter is limited in application to Coal (API 2) cif ARA (Argus/McCloskey) put and call options. In addition to the rules of this chapter, transactions in Coal (API 2) cif ARA (Argus/McCloskey) put and call options shall be subject to the general rules of the Exchange insofar as applicable.~~

## **927101. OPTION CHARACTERISTICS**

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

### **927101.A. Trading Schedule**

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

### **927101.B. Trading Unit**

On the expiration of a call option, the option will be financially settled to the greater of zero or the value produced by subtracting the strike price from the Floating Price of the Coal (API 2) cif ARA (Argus/McCloskey) Futures contract for the same contract month, multiplied by 1,000 metric tons. On the expiration of a put option, the option will be financially settled to the greater of zero or the value produced by subtracting the Floating Price of the Coal (API 2) cif ARA (Argus/McCloskey) Futures contract for the same contract month from the strike price, multiplied by 1,000 metric tons.

### **927101.C. Price Increments**

Prices shall be quoted in dollars and cents per metric ton. The minimum price fluctuation shall be \$0.01 per metric ton. The minimum final settlement is \$0.01 per metric ton. A cabinet trade may occur at the price of \$0.001 per metric ton or \$1.00, however, if it results in the liquidation of positions of both parties to the trade.

### **927101.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.

### **927101.E. Termination of Trading**

The Coal (API 2) cif ARA (Argus/McCloskey) Option expiration shall be on the last Friday of the contract month. If such Friday is a UK holiday, the contract will expire on the UK business day immediately prior to the last Friday of the contract month unless such day is not an Exchange business day, in which case the contract will expire on the Exchange business day immediately prior.

### **927101.F. Type Option**

Coal (API 2) cif ARA (Argus/McCloskey) Option is a financially settled European-style option. The option cannot be exercised prior to expiration.

## **927102. EXERCISE PRICES**

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

## **927103. DISCLAIMER**

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## **Chapter 929**

### **Coal (API 4) fob Richards Bay (Argus/McCloskey) Option**

#### **929.01. EXPIRATION**

~~The Coal (API 4) fob Richards Bay (Argus/McCloskey) Option expiration shall be on the last Friday of the contract month. If such Friday is a UK holiday, the contract will expire on the UK business day immediately prior to the last Friday of the contract month unless such day is not an Exchange business day, in which case the contract will expire on the Exchange business day immediately prior. Notwithstanding the above, if New Year's Day is a Friday, the immediately preceding December contract month shall expire on the last business day of the contract month.~~

#### **929.02. TYPE OF OPTION**

~~Coal (API 4) fob Richards Bay (Argus/McCloskey) Option is a financially settled European-style option. The option cannot be exercised prior to expiration.~~

#### **929.03. TRADING UNIT**

~~On the expiration of a call option, the option will be financially settled to the greater of zero or the value produced by subtracting the strike price from the Floating Price of Coal (API 4) fob Richards Bay (Argus/McCloskey) Futures contract for the same contract month, multiplied by 1,000 metric tons. On the expiration of a put option, the option will be financially settled to the greater of zero or the value produced by subtracting the Floating Price of the Coal (API 4) fob Richards Bay (Argus/McCloskey) Futures contract for the same contract month from the strike price, multiplied by 1,000 metric tons.~~

#### **929.04. HOURS OF TRADING**

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

#### **929.05. TRADING MONTHS**

~~Trading in Coal (API 4) fob Richards Bay (Argus/McCloskey) Option contracts shall be conducted in the months as shall be determined by the Exchange.~~

#### **929.06. STRIKE PRICES**

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



**929.07. PRICES**

Prices shall be quoted in dollars and cents per metric ton. The minimum price fluctuation shall be \$0.01 per metric ton. The minimum final settlement is \$0.01 per metric ton. A cabinet trade may occur at the price of \$0.01 per metric ton or \$1.00, however, if it results in the liquidation of positions of both parties to the trade.

**929.08. ABSENCE OF PRICE FLUCTUATION LIMITATIONS**

Trading in Coal (API 4) fob Richards Bay (Argus/McCloskey) Option shall not be subject to price fluctuation limitations.

**929.09. DISCLAIMER**

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**929100. SCOPE OF CHAPTER**

This chapter is limited in application to Coal (API 4) fob Richards Bay (Argus/McCloskey) put and call options. In addition to the rules of this chapter, transactions in Coal (API 4) fob Richards Bay (Argus/McCloskey) put and call options shall be subject to the general rules of the Exchange insofar as applicable.

**929101. OPTION CHARACTERISTICS**

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

**929101.A. Trading Schedule**

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

**929101.B. Trading Unit**

On the expiration of a call option, the option will be financially settled to the greater of zero or the value produced by subtracting the strike price from the Floating Price of the Coal (API 4) fob Richards Bay (Argus/McCloskey) Futures contract for the same contract month, multiplied by 1,000 metric tons. On the expiration of a put option, the option will be financially settled to the greater of zero or the value produced by subtracting the Floating Price of the Coal (API 4) fob Richards Bay (Argus/McCloskey) Futures contract for the same contract month from the strike price, multiplied by 1,000 metric tons.

**929101.C. Price Increments**

Prices shall be quoted in dollars and cents per metric ton. The minimum price fluctuation shall be \$0.01 per metric ton. The minimum final settlement is \$0.01 per metric ton. A cabinet trade may occur at the price of \$.001 per metric ton or \$1.00, however, if it results in the liquidation of positions of both parties to the trade.

**929101.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.

**929101.E. Termination of Trading**

The Coal (API 4) fob Richards Bay (Argus/McCloskey) Option expiration shall be on the last Friday of the contract month. If such Friday is a UK holiday, the contract will expire on the UK business day immediately prior to the last Friday of the contract month unless such day is not an Exchange business day, in which case the contract will expire on the Exchange business day immediately prior.

**929101.F. Type Option**

Coal (API 4) fob Richards Bay (Argus/McCloskey) Option is a financially settled European-style option. The option cannot be exercised prior to expiration.

**929102. EXERCISE PRICES**

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

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