



API2 Rotterdam Coal Average Price Options (Futures Style Margin)

Contract Specifications

Description	A European style option which at expiration references the Argus/McCloskey API 2 index for the relevant month and is exercised into Rotterdam Coal Futures (ATW)
Contract Symbol	RCA
Hedge Instrument	Rotterdam Coal Futures
Contract Size	1,000 metric tonnes
Unit of Trading	Any multiple of 1,000 metric tonnes
Currency	US Dollars and cents
Trading Price Quotation	One cent (\$0.01) per metric tonne
Settlement Price Quotation	One cent (\$0.01) per metric tonne
Minimum Price Fluctuation	One cent (\$0.01) per metric tonne
Last Trading Day	Trading shall cease at 17:00 LLT on the last Friday of the delivery month. In the event of a public holiday on such Friday, trading shall cease at the close of business on the preceding Business Day.
Option Style	Options are European style and will be automatically exercised on the expiry day if they are 'in the money'. If an option is 'out of the money' it will expire automatically. It is not permitted to exercise the option on any other day or in any other circumstance. No manual exercise is permitted.

Contract Specifications

Option Premium / Daily Margin	Futures Style
Expiry	The last Friday of the delivery month. In the event of a public holiday on such Friday, the expiry will be on the preceding Business Day. The reference price will be a price in USD and cents per metric tonne, equal to the Argus/McCloskey API2 Index for the relevant contract month.
Strike Price Increments	A minimum of 5 strike prices in increments of \$0.05 above and below the at-the-money Strike Price. Strike Price boundaries are adjusted according to futures price movements. IFEU may add one or more strike prices nearest to the last price listed as necessary
Contract Series	Up to 48 consecutive months, 12 quarters and 4 calendar years
Final Payment Date	One Clearing House Business Days following the Last Trading Day
Business Days	UK Business days