

**CONTRACT RULES: ICE FUTURES API 2 ROTTERDAM COAL OPTIONS CONTRACT;  
ICE FUTURES API 4 RICHARDS BAY COAL OPTIONS CONTRACT;  
ICE FUTURES GLOBALCOAL NEWCASTLE COAL OPTIONS CONTRACT**

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**WW**

**SECTION WW - CONTRACT RULES:**

**ICE FUTURES API 2 ROTTERDAM COAL OPTIONS CONTRACT(S);  
ICE FUTURES API 4 RICHARDS BAY COAL OPTIONS CONTRACT(S);  
ICE FUTURES GLOBALCOAL NEWCASTLE COAL OPTIONS CONTRACT(S)**

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<sup>1</sup> Inserted 8 November 2010, Amended 14 November 2011, 11 February 2013

<sup>2</sup> Inserted 8 November 2010, Amended 14 November 2011, 11 February 2013, 3 September 2014, 9 June 2016, 5 June 2017, 17 September 2018, 04 March 2019, 26 July 2021

<sup>3</sup> Inserted 8 November 2010, Amended 14 November 2011

<sup>4</sup> Inserted 8 November 2010, Amended 14 November 2011, 11 February 2013, 11 May 2015, 23 March 2020

<sup>5</sup> Inserted 8 November 2010, Amended 5 June 2017, 17 September 2018, 04 March 2019, 26 July 2021

<sup>6</sup> Inserted 8 November 2010, 3 September 2014

<sup>7</sup> Inserted 8 November 2010, 3 September 2014

<sup>8</sup> Inserted 8 November 2010, Amended 14 November 2011

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**WW.1 SCOPE<sup>9</sup>**

The Rules in this Section WW and in Sections I and XX shall apply to Contracts for the ICE Futures API 4 Richards Bay Coal Options Contract; the ICE Futures API 2 Rotterdam Coal Options Contract; and the ICE Futures globalCOAL Newcastle Coal Options Contract (as defined below) (together, “the ICE Futures Coal Options Contracts”).

Each option shall be a put option or a call option in respect of one or more lots for the product and contract month, Quarter or Calendar Year and at the strike price specified.

**WW.2 DEFINITIONS<sup>10</sup>**

In the Contract Rules and Administrative Procedures the following terms shall bear the meanings set opposite them below, if not inconsistent with the subject or context:

“Calendar Year”	means a strip of 12 consecutive contract months commencing in January and ending with December.
“call option”	a right upon the exercise of which the Buyer of the option becomes the Buyer under a Futures Contract and the Seller of the option becomes the Seller under a Futures Contract;
“expiry date”	in respect of an option, the date when the option will, unless exercised, expire.
“ICE Futures globalCOAL Newcastle Coal Options Contract”	ICE Futures globalCOAL Newcastle Coal Monthly Options Contract, ICE Futures globalCOAL Newcastle Coal Single Expiry Quarterly Options Contract, ICE Futures globalCOAL Newcastle Coal Single Expiry Calendar Year Options Contract, ICE Futures globalCOAL Newcastle Coal Early (122 days) Single Expiry Options Contract, ICE Futures globalCOAL Newcastle Coal Early (214 days) Single Expiry Options Contract, ICE Futures globalCOAL Newcastle Coal Early (305 days) Single Expiry Options Contract and ICE Futures globalCOAL Newcastle Coal Average Price Options Contract, ICE Futures globalCOAL Newcastle Coal Cal 1x Options (Futures Style Margin) Contract, ICE Futures globalCOAL Newcastle Coal Qtr 1x Options (Futures Style Margin) Contract, ICE Futures globalCOAL Newcastle Coal Early (122 days) Single Expiry Option (Futures Style Margin) Contract, ICE Futures globalCOAL Newcastle Coal Early (214 days) Single Expiry Option (Futures Style Margin) Contract, ICE Futures globalCOAL Newcastle Coal Early (305 days) Single Expiry Option (Futures Style Margin) Contract, ICE Futures globalCOAL Newcastle Coal Average Price Option (Futures Style Margin) Contract, ICE Futures globalCOAL Newcastle Coal Options (Futures Style Margin) Contract or such other Newcastle Coal Options Contract listed by the Exchange;
“ICE Futures API 4 Richards Bay Coal Options Contract”	ICE Futures API 4 Richards Bay Coal Monthly Options Contract, ICE Futures API 4 Richards Bay Coal Single Expiry Quarterly Options Contract, ICE Futures API 4 Richards Bay Coal Single Expiry Calendar Year Options Contract, ICE Richards Bay Coal Early (122 days) Single Expiry Options Contract, ICE Richards Bay Coal Early (214 days) Single Expiry Options Contract, ICE Richards Bay Coal Early (305 days) Single Expiry Options Contract and ICE Futures API4 Richards Bay Average Price Options Contract, ICE Futures API 4 Richards Bay Coal Cal 1x Options (Futures Style Margin) Contract, ICE Futures API 4 Richards Bay Coal Qtr 1x Options (Futures Style Margin) Contract, ICE

<sup>9</sup> Inserted 8 November 2010, Amended 14 November 2011, 11 February 2013

<sup>10</sup> Inserted 8 November 2010, Amended 14 November 2011, 11 February 2013, 3 September 2014, 9 June 2016, 5 June 2017, 17 September 2018, 04 March 2019, 26 July 2021

# CONTRACT RULES: ICE FUTURES API 2 ROTTERDAM COAL OPTIONS CONTRACT; ICE FUTURES API 4 RICHARDS BAY COAL OPTIONS CONTRACT; ICE FUTURES GLOBALCOAL NEWCASTLE COAL OPTIONS CONTRACT



	Futures API4 Richards Bay Coal Options (Futures Style Margin) Contract or such other API4 Richards Bay Coal Options Contract listed by the Exchange;
“ICE Futures API 2 Rotterdam Coal Options Contract”	ICE Futures API 2 Rotterdam Coal Monthly Options Contract, ICE Futures API 2 Rotterdam Coal Single Expiry Quarterly Options Contract, ICE Futures API 2 Rotterdam Coal Single Expiry Calendar Year Options Contract, ICE Rotterdam Coal Early (122 days) Single Expiry Options Contract, ICE Rotterdam Coal Early (214 days) Single Expiry Options Contract, ICE Rotterdam Coal Early (305 days) Single Expiry Options Contract, ICE Futures API2 Rotterdam Average Price Options Contract, ICE Futures API 2 Rotterdam Coal Single Expiry Quarterly Options (Futures Style Margin) Contracts, ICE Futures API 2 Rotterdam Coal Single Expiry Calendar Options (Futures Style Margin) Contracts, ICE Futures API2 Rotterdam Coal Early (122 days) Single Expiry Option (Futures Style Margin) Contract, ICE Futures API2 Rotterdam Coal Early (214 days) Single Expiry Option (Futures Style Margin) Contract, ICE Futures API2 Rotterdam Coal Early (305 days) Single Expiry Option (Futures Style Margin) Contract, ICE Futures API2 Rotterdam Coal Average Price Option (Futures Style Margin) Contract, ICE Futures API2 Rotterdam Coal Options (Futures Style Margin) Contract or such other API2 Rotterdam Coal Options Contract listed by the Exchange;
“in-the-money option”	an option where the strike price is greater (in the case of a put option) or is less (in the case of a call option) than the current futures market price for the product and contract month;
“option”	a put option or a call option;
“out-of-the-money option”	an option where the strike price is less (in the case of a put option) or is greater (in the case of a call option) than the current futures market price for the product and contract month;
“put option”	a right upon the exercise of which the Buyer of the option becomes the Seller under a Futures Contract, and the Seller of the option becomes the Buyer under a Futures Contract;
“Quarter” or “Quarterly”	means three consecutive contract months grouped as follows: January, February and March (first quarter); April, May and June (second quarter); July, August and September (third quarter) and October, November and December (fourth quarter); and
“strike price”	the price payable under the Futures Contract resulting from exercise of an option.

## WW.3 STRIKE PRICE<sup>11</sup>

- (a) The strike price shall, in the case of the ICE Futures Coal Options Contracts, be in multiples of USD\$0.05 per tonne or such other multiple as may from time to time be prescribed by the Exchange.
- (b) The Exchange will, from time to time, publish the strike price range available for all ICE Futures Coal Options Contracts.
- (c) Trading shall not be permitted at strike prices other than those listed for the relevant product and contract month.

## WW.4 EXERCISE<sup>12</sup>

- (a) A Buyer may exercise or abandon an option for one or more lots on expiry of the relevant ICE Futures Coal Options Contract by giving to the Clearing House instructions in respect thereof.

<sup>11</sup> Inserted 8 November 2010, Amended 14 November 2011

<sup>12</sup> Inserted 8 November 2010, Amended 14 November 2011, 11 February 2013, 11 May 2015, 23 March 2020

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- (b) On the expiry date, instructions to exercise or abandon may be given to the Clearing House in the case of the relevant ICE Futures Coal Options Contract no later than one hour 30 minutes after the cessation of trading in options of the relevant kind;
- (c) After the cessation of trading on the expiry date, in options of the relevant kind, and unless instructions not to exercise or abandon have been given under paragraph (b) above, all options that are in-the-money options with reference to that day's intraday reference price for the relevant futures business will be automatically exercised. Exceptions to this provision may be made by the Clearing House's clearing procedures.
- (d) The exercise of an ICE Futures Europe Coal Options Contract will give rise to a corresponding monthly, Quarterly or Calendar Year, ICE Futures API 4 Richards Bay Coal Futures Contract, ICE Futures API 2 Rotterdam Coal Futures Contract, or ICE Futures globalCOAL Newcastle Coal Futures Contract, as the case may be, between Buyer and Seller at the strike price of the option and in the relevant contract month, Quarter or Calendar Year.

**WW.5 PREMIUM PAYMENT DUE UPON TRADE<sup>13</sup>**

In the case of an ICE Futures Coal Options Contract, with the exception of ICE Futures globalCOAL Newcastle Coal Cal 1x Options (Futures Style Margin) Contract, ICE Futures globalCOAL Newcastle Coal Qtr 1x Options (Futures Style Margin) Contract, ICE Futures globalCOAL Newcastle Coal Early (122 days) Single Expiry Option (Futures Style Margin) Contract, ICE Futures globalCOAL Newcastle Coal Early (214 days) Single Expiry Option (Futures Style Margin) Contract, ICE Futures globalCOAL Newcastle Coal Early (305 days) Single Expiry Option (Futures Style Margin) Contract, ICE Futures API 4 Richards Bay Coal Cal 1x Options (Futures Style Margin) Contract, ICE Futures globalCOAL Newcastle Coal Average Price Option (Futures Style Margin) Contract, ICE Futures globalCOAL Newcastle Coal Options (Futures Style Margin) Contract, ICE Futures API 4 Richards Bay Coal Qtr 1x Options (Futures Style Margin) Contract, ICE Futures API4 Richards Bay Coal Options (Futures Style Margin) Contract, ICE Futures API 2 Rotterdam Coal Single Expiry Quarterly Options (Futures Style Margin) Contracts and ICE Futures API 2 Rotterdam Coal Single Expiry Calendar Options (Futures Style Margin) Contracts, ICE Futures API2 Rotterdam Coal Early (122 days) Single Expiry Option (Futures Style Margin) Contract, ICE Futures API2 Rotterdam Coal Early (214 days) Single Expiry Option (Futures Style Margin) Contract, ICE Futures API2 Rotterdam Coal Early (305 days) Single Expiry Option (Futures Style Margin) Contract , ICE Futures API2 Rotterdam Coal Average Price Option (Futures Style Margin) Contract, ICE Futures API2 Rotterdam Coal Options (Futures Style Margin) Contract the traded premium is debited by the Clearing House from the account of the Buyer and credited to the account of the Seller on the morning of the Trading Day following the day of trade of the option. The Clearing House will issue a statement of the premium paid or payable to or by it, as the case may be.

**WW.6 PAYMENTS DUE SUBSEQUENT TO EXPIRY<sup>14</sup>**

On the morning of the Trading Day following exercise of an ICE Futures Coal Options Contract, the Clearing House may call for cover for margin in respect of the resulting Futures Contract.

**WW.7 PREMIUM<sup>15</sup>**

- (a) The premium for an option shall be in USD\$, per tonne subject to a minimum fluctuation of USD\$0.01.
- (b) In respect of each strike price of each ICE Futures Coal Options Contract and contract month, an official settlement premium will be established in accordance with section 2.5.2 of the Trading Procedures.

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<sup>13</sup> Inserted 8 November 2010, Amended 5 June 2017, 17 September 2018, 04 March 2019, 26 July 2021

<sup>14</sup> Amended 3 September 2014

<sup>15</sup> Amended 3 September 2014

**WW.8 ABANDONMENT<sup>16</sup>**

An option may not be abandoned by the Buyer in advance of expiry.

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<sup>16</sup> Inserted 8 November 2010, Amended 14 November 2011