

Monthly Zero Strike Call Option on COMP token

OEX-ZEPO-1*COMP-1JUL

0xa7d6408fdb83b0f46c213a771669699825585cddf2d7a793c69f3d0bbecc4bf0

SHORT DESCRIPTION

Zero Strike Call Option Contract on COMP token with maturity of 1 July 2020. Each contract gives the right to receive the Uniswap price of 1 COMP at expiration.

Type	Call option, European style
Underlying	COMP price
Oracle	Opium multisig with 15 DAI (if no Uniswap market) or Uniswap feed 0x1233C3FEaCc1c971fB880fd375D0EFfe0912bCE41
Contract size	1 COMP
Strike price, DAI	0
Settlement	DAI
Buyer Margin*	0 DAI
Seller Margin**	30 DAI
Expiration	1 July 2020 8:00 UTC
Long wins [^]	Oracle price
Short wins	premium at settlement minus any win of long [^] capped by initial margin; the author of derivative takes 1% (only from profit maker)

LONG DESCRIPTION

A European call option with a strike price of zero or close to zero, usually traded in countries where there may be obstacles pertaining to the transfer of securities especially stock. The purchaser of the option will definitely exercise it, so it is the same as owning the underlying asset and the seller has full offsetting participation in the stock price.

At maturity, the buyer of ZEPO will receive the price of the underlying asset from the seller.

The market price of ZEPO should replicates an expected market price of the underlying.

All margin on Opium.Exchange is denominated in stable coins or any ERC20 coins, allowing traders to speculate on the future value of its products only using stable cryptocurrency or other Ethereum based tokens.

"European style" means options cannot be exercised before expiration, but can only be exercised at expiration.

"Cash settled" means when a cash settled option is exercised the writer of the contract pays any profit due to the holder in stable coins (or any ERC20 coins specified in the contract) rather than any asset transfer taking place.

Notice: oracle will report the price of Uniswap at maturity or 15 DAI in case there is no market at Uniswap at maturity

*maximum risk of buyer; **Maximum risk of seller and maximum gain of buyer; option contract traded with open price with via order book

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