option is no longer wanted) the option "knocks-out" and becomes worthless. While $Y might decline to 90, our quantitative analysis indicates the probability of such a decline is significantly (double?) overpriced by the options market
The premium of the option is quite sensitive to moves in $Y spot - which is atypical for a 10year option. This also results from the knockout feature. This means if $Y moves quickly by 5% the option increases / decreases in value by almost half, so If $Y rises to 110 or 115 the option can easily be unwound to monetize the profit
The option costs roughly 1/3rd compared to the vanilla 85 strike call
Maximum loss is premium paid

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