Abstract: In this seminar, we plan to cover the risk-neutral pricing of linear and non-linear payoffs, the model-independent Put-Call Parity and the Binomial Model for option pricing in discrete time. We will focus on the idea of dynamic replication in the multi-period Binomial Model, which naturally leads to the martingale pricing approach and the Fundamental Theorem of Risk-Neutral Pricing. If time permits, we will introduce the Monte Carlo simulations approach to pricing European options in the Binomial Model framework.