Diesel Diff - New York Harbour ULSD 1 Month Calendar Spread Options

Contract Specifications

Description	The New York Harbor ULSD 1-Month Calendar Spread Option is based on the difference between two consecutive New York Harbor ULSD Futures months.
Contract Symbol	HOC
Contract Size	1,000 barrels (42,000 gallons)
Unit of Trading	Any multiple of 1,000 barrels.
Currency	US Dollars and cents
Trading Price Quotation	One hundredth of one cent ($0.0001) per gallon
Settlement Price Quotation	One hundredth of one cent ($0.0001) per gallon
Minimum Price Fluctuation	One hundredth of one cent ($0.0001) per gallon
Last Trading Day	Trading shall end at the end of the designated settlement period on the Expiration Date of the nearby month ICE Heating Oil Futures contract.
Option Style	Options are European style and will be automatically exercised on the expiry day if they are “in the money”. The future resulting from exercise immediately goes to cash settlement relieving market participants of the need to concern themselves with liquidation or exercise issues. 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 circumstances. No manual exercise is permitted.

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Option Premium / Daily Margin	Calendar Spread Options are equity-style and there is no daily Variation Margin payment. The premium on the Calendar Spread Option is paid/received on the business day following the day of trade. Net Liquidating Value (NLV) will be re-calculated each business day based on the relevant daily settlement prices. For buyers of options the NLV credit will be used to off-set their Original Margin (OM) requirement; for sellers of options, the NLV debit must be covered by cash or collateral in the same manner as OM requirement. OM for all options contracts is based on the ICE® Risk Model
Expiry	19:30 London Time (14:30 EST). Automatic exercise settings are pre-set to exercise contracts which are one minimum price fluctuation or more 'in the money' with reference to the relevant reference price. Members cannot override automatic exercise settings or manually enter exercise instructions for this contract. The reference price will be a price in USD and cents per gallon equal to the difference between the settlement price of the nearby ICE Heating Oil Futures contract and the settlement price of the next consecutive contract month of the ICE Heating Oil Futures contract series on the Last Trading Day.
Strike Price Intervals	A minimum of 10 Strike Prices in increments of $0.01 per gal above and below the at-the-money Strike Price. Strike Price boundaries are adjusted according to futures price movements. User-defined Strike Prices are allowed in $0.001 increments.
Contract Series	Up to 36 consecutive 1-month calendar spreads
Final Payment Date	Two Clearing House Business Days following the Last Trading Day
Business Days	Publication days for NYMEX