



Gasoil Diff - Low Sulphur Gasoil 12-Month Calendar Spread Options

Contract Specifications

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| Description | The Low Sulphur Gasoil 12-Month Calendar Spread Option is based on the difference between two ICE Low Sulphur Gasoil Futures months expiring twelve calendar months apart. |
| Contract Symbol | UUZ |
| Hedge Instrument | The delta hedge for the Low Sulphur Gasoil 12-Month CSO is the ICE Low Sulphur Gasoil Future. |
| Contract Size | 100 metric tonnes |
| Unit of Trading | Any multiple of 100 metric tonnes |
| Currency | US Dollars and cents |
| Trading Price Quotation | One cent (\$0.01) per metric tonne |
| Settlement Price Quotation | One tenth of one cent (\$0.001) per metric tonne |
| Minimum Price Fluctuation | One tenth of one cent (\$0.001) per metric tonne |
| Last Trading Day | Trading shall end at the end of the designated settlement period one business day prior to the Expiration Date of the nearby month ICE Low Sulphur Gasoil Futures contract. |

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| 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. |
| 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 ICE Risk Model |
| Expiry | <p>16:30 London Time (11:30 EST).</p> <p>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.</p> <p>The reference price will be a price in USD and cents per metric tonne equal to the difference between the settlement price of the nearby ICE Low Sulphur Gasoil Futures contract and the settlement price of the contract month expiring 12 calendar months later in the ICE Low Sulphur Gasoil Futures contract series on the Last Trading Day.</p> |
| Strike Price | This contract will support Custom Option Strikes with strikes in increments of \$0.25 within a range of -\$10 to \$10. This range may be revised from time to time according to future price movements. The at-the-money strike price is the closest interval nearest to the previous business day's settlement price of the underlying contract. |
| Contract Series | Up to 60 months |
| Final Payment Date | Two Clearing House Business Days following the Last Trading Day |
| Business Days | Publication days for ICE |