



## UK NBP Natural Gas Options (Futures Style Margin)

### Contract Specifications

Description	The ICE UK Natural Gas Options contract is an option on the ICE UK Natural Gas Futures contract. At expiry, one lot of UK Natural Gas Options will exercise into one lot of UK Natural Gas Futures.
Contract Symbol	UKF
Contract Series	Up to 36 consecutive months. Quarterly, seasonal, calendar, and any period of consecutive monthly contracts can be registered as a strip. For example, a Q1 option is an option on Jan, an option on Feb, and an option on Mar, with each option expiring five calendar days before the start of the relevant contract month.
Contract Size	1,000 therms per day per delivery period (ie month, quarter, season or year).
Unit of Trading	1,000 therms of natural gas per day (1 therm = 29.3071 kilowatt hours)
Minimum Trading Size	Futures: 5 lots = 5,000 therms per day Block Order: 25 lots = 25,000 therms per day
Price Quotation	The contract price is in Sterling and pence per therm.
Minimum Price Fluctuation	0.01 pence per therm (£0.001/therm)
Tick Value	Contract Size x Minimum Trade Size x Minimum Price Fluctuation
Strike Price Increments	A minimum of 5 strike prices in increments of 5.00 pence/therm above and below the at-the-money Strike Price. Strike Price boundaries are adjusted according to futures price movements. IFEU may add one or more strike prices nearest to the last price listed as necessary

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Last Trading Day	Trading will cease when the intraday reference price is set of the underlying futures contract five calendar days before the start of the contract month. If that day is a non-business day, expiry will occur on the nearest prior business day, except where that day is also the expiry date of the underlying futures contract, in which case expiry will be occur on the preceding business day.
Option Style	European Style
Option Premium	Futures Style
Delivery Terms	Expires into the ICE UK Natural Gas Futures contract with European-style exercise. If the option is not abandoned, automatic exercise will occur for options which are one or more ticks in the money. At-The-Money and Out-of-The-Money options will expire worthless. Members will have up to one hour after after cessation of trading on the option expiry day to manually abandon or exercise an option.
Exchange Rulebook	<a href="#">ICE Futures Europe Contract Rules</a> & <a href="#">Procedures</a>