Crude Outright - Midland WTI American Gulf Coast Average Price Option

Contract Specifications

Description	The Midland WTI American Gulf Coast Average Price Option is based on the underlying ICE Midland WTI American Gulf Coast 1st Line Future (HOO) and will automatically exercise into the settlement price of the 1st Line Future on the day of expiry of the options contract.
Contract Symbol	HOO
Hedge Instrument	The delta hedge for the Midland WTI American Gulf Coast Average Price Option is the Midland WTI American Gulf Coast 1st Line Future (HOO).
Contract Size	1,000 barrels
Unit of Trading	Any multiple of 1,000 barrels
Currency	US Dollars and cents
Trading Price Quotation	One cent ($0.01) per barrel
Settlement Price Quotation	One tenth of one cent ($0.001) per barrel
Minimum Price Fluctuation	One tenth of one cent ($0.001) per barrel
Last Trading Day	Last Trading Day of the contract month

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Option Style	Options are Asian-style and will be automatically exercised on the expiry day if they are “in the money”. The swap 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 than the Last Trading Day. No manual exercise is permitted.
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 barrel equal to the average of the settlement prices for the ICE Midland WTI American Gulf Coast 1st Line Future for the contract month.
Option Premium / Daily Margin	Due to equity-style margining the premium on ICE Midland WTI American Gulf Coast Average Price Option is paid / received on the day following the day of trade. Equity-Style Options have no daily Variation Margin payment. The premium on the Equity-style Options 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.
Strike Price Intervals	Minimum $0.50 increment strike prices. $1.00 Strikes from $20 to $240. $0.50 strikes 20 strikes above and below ATM. The “at the money” strike price is the closes interval nearest to the previous business day’s settlement price of the underlying contract.
Contract Series	Up to 72 consecutive months, or as otherwise determined by the Exchange
Final Payment Date	Two Clearing House Business Days following the Last Trading Day
Business Days	US business days.