

Chapter 832

Daily Natural Gas Option

832.01. EXPIRATION OF DAILY NATURAL GAS OPTION CONTRACT

A Daily Natural Gas option contract on the Exchange shall expire at the close of trading on the business day that it was initially listed on.

832.02. TRADING UNIT FOR THE DAILY NATURAL GAS OPTION CONTRACTS

A Daily Natural Gas put option contract traded on the Exchange represents the cash difference between the exercise price and the settlement price of the first nearby settlement price of Natural Gas futures multiplied by 10,000, or zero, whichever is greater. In the event that the option is expiring on the last trading day of the first nearby Natural Gas Futures contract, the second nearby underlying futures will be used for settlement. A Daily Natural Gas call option contract traded on the Exchange represents the cash difference between the settlement price of the first nearby settlement price of Natural Gas futures contract and the exercise price multiplied by 10,000, or zero, whichever is greater. In the event that the option is expiring on the last trading day of the first nearby Natural Gas Futures contract, the second nearby underlying futures will be used for settlement.

832.03. TRADING DAYS FOR THE DAILY NATURAL GAS OPTION CONTRACTS

Trading in Daily Natural Gas option contracts shall be conducted each business day. Trading shall be commenced on the day fixed by resolution of the Exchange.

832.04. HOURS OF TRADING IN DAILY NATURAL GAS OPTION CONTRACT

The hours of trading for this contract shall be determined by the Exchange.

832.05. PRICES IN DAILY NATURAL GAS OPTION CONTRACTS

Prices shall be quoted in dollars and hundredths of cents per MMBtu.

832.06. STRIKE PRICES FOR DAILY NATURAL GAS OPTONS CONTRACT

Transactions shall be conducted for option contracts as set forth in Rule 300.20.

832.07. TEMPORARY TRADING HALT

When a Triggering Event (as defined in Chapter 220) in Henry Hub Natural Gas futures occurs, trading in this option shall be subject to a coordinated Temporary Trading Halt (as defined in Chapter 220).