

## Chapter 1174

### Natural Gas Option - Henry Hub - Platts Inside FERC

#### DESCRIPTION

Monthly cash settled Henry Hub put and call options on the Platts Inside FERC contract specified in Floating Price A.

#### FLOATING PRICE A

The Floating Price for each contract month will be equal to the Platts Inside FERC Henry Hub futures contract final settlement price for the corresponding contract month on the last trading day for that contract month.

#### OPTION CHARACTERISTICS

##### TRADING UNIT

On expiration of a Call Option, the value will be the difference between the average daily settlement price during the calendar month of the first nearby Platts Inside FERC Henry Hub contract (as described in Floating Price A) and the strike price, or zero whichever is greater. On expiration of a Put Option, the value will be the difference between the strike price and the average daily settlement price during the calendar month of the first nearby Platts Inside FERC Henry Hub contract (as described in Floating Price A), or zero whichever is greater.

##### TYPE OPTION

Cash-settled European-Style option which cannot be exercised prior to expiration.

#### CONTRACT UNIT AND VALUE

The contract unit shall be MMBtus (million British thermal units). Each contract shall be valued as the contract quantity in MMBtus multiplied by the settlement price.

#### LISTING CYCLE

Up to 120 consecutive monthly contract periods

#### PRICES AND FLUCTUATIONS

Prices shall be quoted in U.S. dollars and cents per MMBtu. The minimum price fluctuation shall be \$0.001 per MMBtu. The minimum price increment will be \$0.0001. There shall be no maximum price fluctuation.

#### TERMINATION OF TRADING

Posting of transactions shall cease on the last business day prior to the contract month.

#### FINAL SETTLEMENT

Delivery under the contract shall be by cash settlement. Final settlement, following termination of posting for a contract month, will be based on the Floating Price. The final settlement price will be the Floating Price calculated for each contract month.