

NODAL EXCHANGE CONTRACT SPECIFICATION

PJM WESTERN HUB Calendar Year Real Time Off-Peak Power Option (Futures Style Margining)

ITEM	SPECIFICATION
Contract Description	A calendar year option on the corresponding period of twelve PJM WESTERN HUB Monthly Real Time Off-Peak Power Contract
Option Style	European
Option Contract Code	ZAA
Underlying Futures Contract	PJM WESTERN HUB Monthly Real Time Off-Peak Power Contract for January-December of the calendar year
Contract Code for Underlying Futures	LMK
Hours of Trading	As defined at http://www.nodalexchange.com
Contract Size per Lot	One lot of each of the Underlying Contracts
Unit of Trading	1 lot, as defined in Contract Size per Lot
Strike Price	\$0.50 increments; 20 Strike Prices up and 20 Strike Prices down from the at-the-money Strike Price per Option contract. The at-the-money Strike Price is the closest interval nearest to the previous business day's Settlement Price of the Underlying Contract. User-defined Strike Prices are permitted in \$0.05 increments.
Currency	US Dollars
Minimum Tick	\$0.0001 per MWh
Settlement Price Precision	\$0.0001 per MWh
Last Trading Day	The second Friday prior to the first calendar day of the Option period. Trading closes at 4:15 pm EPT.
Contract Series	Up to 4 consecutive January – December yearly Option contract periods
Premium/NLV	The premium of a futures-style option is paid/received on the next margin cycle following the option exercise based on the last settlement price of the option contract and contract size on the exercise day.
Daily Settlement Price	Determined by the Exchange based on exchange activity, other market data, and extrapolation to traded Option contracts, as appropriate.
Exercise	Exercise of Options is automatic. Manual exercise or abandon is not permitted. At exercise, options that are “in the money”, with respect to the weighted average of the settlement prices of the underlying monthly futures on the exercise day, will exercise automatically into twelve underlying future contracts, one for each contract month in the contract period, with a contract price equal to the Strike Price. If the option is “out of money”, then it expires automatically. Exercise Day is the Last Trading Day.
Settlement Method	Exercise into Underlying Contracts
Position Limit	Same with underlying contracts. Option positions are weighted by Option delta and combined with Underlying Contracts position. Underlying contracts' position limits can be found at https://www.nodalexchange.com/files/autogenerated/Nodal_Rulebook_Appendix_C-Limits_and_Levels.PDF

NODAL EXCHANGE CONTRACT SPECIFICATION

PJM WESTERN HUB Calendar Year Real Time On-Peak Power Option (Futures Style Margining)

ITEM	SPECIFICATION
Contract Description	A calendar year option on the corresponding period of twelve PJM WESTERN HUB Monthly Real Time On-Peak Power Contract
Option Style	European
Option Contract Code	ZAB
Underlying Futures Contract	PJM WESTERN HUB Monthly Real Time On-Peak Power Contract for January-December of the calendar year
Contract Code for Underlying Futures	LMJ
Hours of Trading	As defined at http://www.nodalexchange.com
Contract Size per Lot	One lot of each of the Underlying Contracts
Unit of Trading	1 lot, as defined in Contract Size per Lot
Strike Price	\$0.50 increments; 20 Strike Prices up and 20 Strike Prices down from the at-the-money Strike Price per Option contract. The at-the-money Strike Price is the closest interval nearest to the previous business day's Settlement Price of the Underlying Contract. User-defined Strike Prices are permitted in \$0.05 increments.
Currency	US Dollars
Minimum Tick	\$0.0001 per MWh
Settlement Price Precision	\$0.0001 per MWh
Last Trading Day	The second Friday prior to the first calendar day of the Option period. Trading closes at 4:15 pm EPT.
Contract Series	Up to 4 consecutive January – December yearly Option contract periods
Premium/NLV	The premium of a futures-style option is paid/received on the next margin cycle following the option exercise based on the last settlement price of the option contract and contract size on the exercise day.
Daily Settlement Price	Determined by the Exchange based on exchange activity, other market data, and extrapolation to traded Option contracts, as appropriate.
Exercise	Exercise of Options is automatic. Manual exercise or abandon is not permitted. At exercise, options that are “in the money”, with respect to the weighted average of the settlement prices of the underlying monthly futures on the exercise day, will exercise automatically into twelve underlying future contracts, one for each contract month in the contract period, with a contract price equal to the Strike Price. If the option is “out of money”, then it expires automatically. Exercise Day is the Last Trading Day.
Settlement Method	Exercise into Underlying Contracts
Position Limit	Same with underlying contracts. Option positions are weighted by Option delta and combined with Underlying Contracts position. Underlying contracts' position limits can be found at https://www.nodalexchange.com/files/autogenerated/Nodal_Rulebook_Appendix_C-Limits_and_Levels.PDF

NODAL EXCHANGE CONTRACT SPECIFICATION

**PJM WESTERN HUB Monthly Real Time Off-Peak Power Option (Futures Style
Margining)**

ITEM	SPECIFICATION
Contract Description	An option of the PJM WESTERN HUB Monthly Real Time Off-Peak Power Contract
Option Style	European
Option Contract Code	ZAC
Underlying Futures Contract	PJM WESTERN HUB Monthly Real Time Off-Peak Power Contract
Contract Code for Underlying Futures	FKF
Hours of Trading	As defined at http://www.nodalexchange.com
Contract Size per Lot	One lot of the Underlying Contract
Unit of Trading	1 lot, as defined in Contract Size per Lot
Strike Price	\$0.50 increments; 20 Strike Prices up and 20 Strike Prices down from the at-the-money Strike Price per Option contract. The at-the-money Strike Price is the closest interval nearest to the previous business day's Settlement Price of the Underlying Contract. User- defined Strike Prices are permitted in \$0.05 increments.
Currency	US Dollars
Minimum Tick	\$0.0001 per MWh
Settlement Price Precision	\$0.0001 per MWh
Last Trading Day	The second business day prior to the first calendar day of the Option contract month
Contract Series	Up to 60 months
Premium/NLV	The premium of a futures-style option is paid/received on the next margin cycle following the option exercise based on the last settlement price of the option contract and contract size on the exercise day.
Daily Settlement Price	Determined by the Exchange based on exchange activity, other market data, and extrapolation to traded Option contracts, as appropriate.
Exercise	Exercise of In-the-Money Options is automatic on the Last Trading Day unless the Exchange is notified by 4:30 pm on the Last Trading Day (1) to allow the In-the-Money Options to expire without exercise or (2) to exercise expiring Out-of-the-Money Options. When exercised against, Option sellers will be selected on a pro-rata basis or at the Exchange's discretion.
Settlement Method	Exercise into Underlying Contract
Position Limit	Same with underlying contracts. Option positions are weighted by Option delta and combined with Underlying Contracts position. Underlying contracts' position limits can be found at https://www.nodalexchange.com/files/autogenerated/Nodal_Rulebook_Appendix_C-Limits_and_Levels.PDF

NODAL EXCHANGE CONTRACT SPECIFICATION

**PJM WESTERN HUB Monthly Real Time On-Peak Power Option (Futures Style
Margining)**

ITEM	SPECIFICATION
Contract Description	An option of the PJM WESTERN HUB Monthly Real Time On-Peak Power Contract
Option Style	European
Option Contract Code	ZAD
Underlying Futures Contract	PJM WESTERN HUB Monthly Real Time On-Peak Power
Contract Code for Underlying Futures	FKE
Hours of Trading	As defined at http://www.nodalexchange.com
Contract Size per Lot	One lot of the Underlying Contract
Unit of Trading	1 lot, as defined in Contract Size per Lot
Strike Price	\$0.50 increments; 20 Strike Prices up and 20 Strike Prices down from the at-the-money Strike Price per Option contract. The at-the-money Strike Price is the closest interval nearest to the previous business day's Settlement Price of the Underlying Contract. User- defined Strike Prices are permitted in \$0.05 increments.
Currency	US Dollars
Minimum Tick	\$0.0001 per MWh
Settlement Price Precision	\$0.0001 per MWh
Last Trading Day	The second business day prior to the first calendar day of the Option contract month
Contract Series	Up to 60 months
Premium/NLV	The premium of a futures-style option is paid/received on the next margin cycle following the option exercise based on the last settlement price of the option contract and contract size on the exercise day.
Daily Settlement Price	Determined by the Exchange based on exchange activity, other market data, and extrapolation to traded Option contracts, as appropriate.
Exercise	Exercise of In-the-Money Options is automatic on the Last Trading Day unless the Exchange is notified by 4:30 pm on the Last Trading Day (1) to allow the In-the-Money Options to expire without exercise or (2) to exercise expiring Out-of-the-Money Options. When exercised against, Option sellers will be selected on a pro-rata basis or at the Exchange's discretion.
Settlement Method	Exercise into Underlying Contract
Position Limit	Same with underlying contracts. Option positions are weighted by Option delta and combined with Underlying Contracts position. Underlying contracts' position limits can be found at https://www.nodalexchange.com/files/autogenerated/Nodal_Rulebook_Appendix_C-Limits_and_Levels.PDF

NODAL EXCHANGE CONTRACT SPECIFICATION

Washington Carbon Allowance Vintage 2023 Option (Futures Style Margining)

ITEM	SPECIFICATION
Contract Description	An option of the Washington Carbon Allowance Vintage 2023 Future
Option Style	European
Option Contract Code	WKG
Underlying Futures Contract	Washington Carbon Allowance Vintage 2023 Future
Contract Code for Underlying Futures	WBG
Hours of Trading	As defined at http://www.nodalexchange.com
Contract Size per Lot	1 lot of the Underlying Contract
Unit of Trading	1 lot, as defined in Contract Size per lot
Strike Price	A minimum of ten Strike Prices in increments of \$0.05 above and below the at-the-money Strike Price. The at-the-money strike price is the closest interval nearest to the previous day's Settlement Price of the Underlying Contract. Strike Price boundaries are adjusted according to futures price movements. User-defined Strike Prices are allowed in \$0.05 increments.
Currency	US Dollars
Minimum Tick	\$0.001 per Washington Carbon Allowance
Settlement Price Precision	\$0.001 per Washington Carbon Allowance
Last Trading Day	At 4:00 pm EPT on the 15th calendar day of the delivery month. Where the 15th calendar day is not a Business Day, the Last Trading Day shall be the first Business Day following the 15th calendar day of the delivery month
Contract Series	The initial listing shall include quarterly contracts starting with December 2023 expiry through 2025. The exchange may list any other calendar month contract off the standard listing cycle beginning with March of 2023 for up to 10 years.
Premium/NLV	The premium of a futures-style option is paid/received on the next margin cycle following the option exercise based on the last settlement price of the option contract and contract size on the exercise day.
Daily Settlement Price	Determined by the Exchange based on exchange activity, other market data, and extrapolation to traded Option contracts, as appropriate.
Exercise	Exercise of In-the-Money Options is automatic on the Last Trading Day unless the Exchange is notified by 5:30 pm EPT on the Last Trading Day (1) to allow the In-the-Money Options to expire without exercise or (2) to exercise expiring Out-of-the-Money Options
Settlement Method	Exercise into Underlying Contracts
Position Limit	Same with underlying contracts. Option positions are weighted by Option delta and combined with Underlying Contracts position. Underlying contracts' position limits can be found at https://www.nodalexchange.com/files/autogenerated/Nodal_Rulebook_Appendix_C-Limits_and_Levels.PDF

NODAL EXCHANGE CONTRACT SPECIFICATION

Henry Hub Penultimate Monthly Natural Gas Option 2,500 (Futures Style Margining)

ITEM	SPECIFICATION
Contract Description	An option of the Henry Hub Penultimate Monthly Natural Gas Contract 2,500
Option Style	European
Option Contract Code	HWX
Underlying Futures Contract	Henry Hub Penultimate Monthly Natural Gas Contract 2,500
Contract Code for Underlying Futures	PHH
Hours of Trading	As defined at http://www.nodalexchange.com
Contract Size per Lot	One lot of the underlying futures contract
Unit of Trading	1 lot, as defined in Contract Size per Lot
Strike Price	\$0.25 increment strike prices. 10 strikes above and below the at-the-money Strike Price per contract. The at-the-money strike price is the closest interval nearest to the previous business day's settlement price of the underlying contract. User-defined strike prices are allowed in \$0.001 increments
Currency	US Dollars
Minimum Tick	\$0.0001 per MMBtu
Settlement Price Precision	\$0.0001 per MMBtu
Last Trading Day	Trading shall cease at 2:30 pm EPT on the fourth CME Business Day prior to the first calendar day of the contract month.
Contract Series	Up to 84 months
Premium/NLV	The premium of a futures-style option is paid/received on the next margin cycle following the option exercise based on the last settlement price of the option contract and contract size on the exercise day.
Daily Settlement Price	Determined by the Exchange based on exchange activity, other market data, and extrapolation to traded Option contracts, as appropriate.
Exercise	Exercise of "in-the-money" options is automatic on the Last Trading Day. Clearing members that are long options have until 4:30 pm on the Last Trading Day to indicate whether they will exercise expiring "out-of-the-money" options, or allow the "in-the-money" options to expire without exercise based on the settlement price of the underlying futures on that day. When exercised against, option sellers will be selected on a pro-rata basis, at the Exchange's discretion.
Settlement Method	Exercise into underlying futures contract
Position Limit	Same with underlying contracts. Option positions are weighted by Option delta and combined with Underlying Contracts position. Underlying contracts' position limits can be found at https://www.nodalexchange.com/files/autogenerated/Nodal_Rulebook_Appendix_C-Limits_and_Levels.PDF

NODAL EXCHANGE CONTRACT SPECIFICATION

Henry Hub Penultimate Monthly Natural Gas Option 10,000 (Futures Style Margining)

ITEM	SPECIFICATION
Contract Description	An option of the Henry Hub Penultimate Monthly Natural Gas Contract 10,000
Option Style	European
Option Contract Code	HWY
Underlying Futures Contract	Henry Hub Penultimate Monthly Natural Gas Contract 10,000
Contract Code for Underlying Futures	NHP
Hours of Trading	As defined at http://www.nodalexchange.com
Contract Size per Lot	One lot of the underlying futures contract
Unit of Trading	1 lot, as defined in Contract Size per Lot
Strike Price	\$0.05 increment strike prices. 50 strikes above and below the at-the-money Strike Price per contract. The at-the-money strike price is the closest interval nearest to the previous business day's settlement price of the underlying contract. User-defined strike prices are allowed in \$0.001 increments
Currency	US Dollars
Minimum Tick	\$0.0001 per MMBtu
Settlement Price Precision	\$0.0001 per MMBtu
Last Trading Day	Trading shall cease at 2:30 pm EPT on the fourth CME Business Day prior to the first calendar day of the contract month.
Contract Series	Up to 84 months
Premium/NLV	The premium of a futures-style option is paid/received on the next margin cycle following the option exercise based on the last settlement price of the option contract and contract size on the exercise day.
Daily Settlement Price	Determined by the Exchange based on exchange activity, other market data, and extrapolation to traded Option contracts, as appropriate.
Exercise	Exercise of "in-the-money" options is automatic on the Last Trading Day. Clearing members that are long options have until 4:30 pm on the Last Trading Day to indicate whether they will exercise expiring "out-of-the-money" options, or allow the "in-the-money" options to expire without exercise based on the settlement price of the underlying futures on that day. When exercised against, option sellers will be selected on a pro-rata basis, at the Exchange's discretion.
Settlement Method	Exercise into underlying futures contract
Position Limit	Same with underlying contracts. Option positions are weighted by Option delta and combined with Underlying Contracts position. Underlying contracts' position limits can be found at https://www.nodalexchange.com/files/autogenerated/Nodal_Rulebook_Appendix_C-Limits_and_Levels.PDF