



## WTI American-Style Options

### Contract Specifications

Description	The ICE WTI Crude American-style Option Contract is based on the underlying ICE WTI Crude Futures Contract (T) and if exercised will result in a corresponding futures position. The Contract is for American-style exercise, allowing the buyer to exercise an option any time up to the expiry day.
Commodity Code	T
Contract Size	1,000 barrels
Unit of Trading	Any multiple of 1,000 barrels
Currency	US Dollars and cents
Trading Price	One cent (\$0.01) per barrel
Minimum Price Fluctuation	One cent (\$0.01) per barrel
Settlement Price	One cent (\$0.01) per barrel
Last Trading Day	Trading shall cease at the end of the designated settlement period for the underlying future on the second Trading Day prior to cessation of trading in the underlying ICE WTI Crude Futures contract.
Hedge Instrument	The delta hedge for the American-style Options is the ICE WTI Crude Future (T).

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Option Premium / Daily Margin	<p>Due to equity-style margining the premium on ICE WTI Options 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.</p>
Exercise	<p>ICE WTI Options can be exercised into ICE WTI Futures contracts. ICE Futures Options contracts are of American-style exercise, allowing the buyer to exercise call and/or put options up to 17:00 hours (London time) on any Trading Day (except on expiry day) during the life of the contract, by giving an exercise notice to ICE Clear Europe in respect of such options.</p> <p>On expiry day, automatic exercise settings are pre-set to exercise call and put option contracts that are one minimum price fluctuation or more in-the-money and call option contracts which are at-the-money with reference to the corresponding daily settlement price at the designated settlement time as determined by the Exchange. At-the-money put options will be abandoned.</p>
Contract Series	Up to 108 consecutive months
Strike Price Increments	<p>At launch multiples of .01 per barrel ranging from a strike of \$1 to a strike of \$240. Additional strike prices are added according to futures price movements.</p> <p>The at-the-money strike price is the closest interval nearest to the previous business day's settlement price of the underlying contract.</p>
Position Reporting	<p>The Exchange may impose position accountability levels or limits on positions in this contract at its discretion as provided in Rules P8 and P3 respectively.</p> <p><b>Current position accountability levels:</b> In any one month: 10,000 net futures-equivalent, all months: 20,000 net futures-equivalent inclusive of position in WTI Futures</p> <p><b>Current position limits:</b> 3,000 futures-equivalent contracts in the last three trading days in the spot month inclusive of position in WTI Futures</p> <p>Exemptions from position limits may be granted at Exchange discretion for bona fide hedge positions.</p>

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Contract Security	ICE Clear Europe acts as the central counterparty for trades conducted on ICE Futures Europe and ICE OTC. This enables it to guarantee the financial performance of every contract registered with it by its members (the clearing members of the Exchange) up to and including delivery, exercise and/or settlement. ICE Clear Europe is able to provide margin offsets between the options and the underlying futures contract as well against options positions executed in other option styles.
Business Days	ICE Business Days
Linked Future	Yes