



Technical Specifications

**MIBEL SPEL Base Financial
Futures Option Contracts**

27.May.2014

Versions Index**27.May.2014**

Initial version

NOTICE

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Underlying Asset	A MIBEL SPEL Base Financial Futures Contract with the same reference delivery period.
Types	<p>There are two distinct and independent types of Option Contracts:</p> <ul style="list-style-type: none"> • A Call Option, also called Call, is a financial contract where the buyer, by paying a fee called Premium, acquires the right, but not the obligation, to buy 1 (one) Futures Contract (Underlying) from the seller of the Option, at a certain time (exercise date) at a set price (the Strike Price). • A Put Option, also called Put, is a financial contract where the buyer, by paying a fee called Premium, acquires the right, but not the obligation, to sell 1 (one) Futures Contract (Underlying) to a buyer of the Option, at a certain time (exercise date) at a set price (the Strike Price).
Strike Price	Price paid (in Call Options) or received (in Put Options) by the buyer to obtain (in Call Options) or deliver (in Put Options) the underlying asset of the Options Contract.
Style	European. It has a date set for the exercise.
Contracts being Traded/ Classes Type	<ul style="list-style-type: none"> • Months: Futures Option Contracts corresponding to the two subsequent months. Occasionally, there may be only one month being traded. • Quarters: Futures Option Contracts corresponding to the two subsequent quarters. Occasionally, there may be only one quarter being traded. • Years: Futures Option Contracts corresponding to the subsequent year. No Contract is traded in the last two days of each year. Each annual Option Contract has four maturity dates: at the end of March, June, September and December.
Nominal (calendar year)	<p>The nominal of an Options Contract is the nominal of 1 (one) underlying Futures Contract, with the following default values, which are agreed to be considered associated to the related Options Contract:</p> <p>$1 \text{ MW} \times 24^{(1)} \text{ hours} \times \text{number of days}^{(2)}$</p> <p>For example, the November contract has a Nominal of $1 \text{ MW} \times 24 \times 30 = 720 \text{ MWh}$.</p> <p>⁽¹⁾ With the exception of the time shifts Winter - Summer (23 hours) and Summer - Winter (25 hours).</p> <p>⁽²⁾ See table in attachment with the default contract Nominal values.</p>
Currency	Euro (€)
Form of quotation	€/MWh
Tick	0.01€/MWh
Tick value	Depends on the contract's Nominal. For example, in the case of the

	November contract, the <i>tick</i> value is 7.2 €.
Tick volume	1 MW
Strike price interval	1.00 €/MWh
Premium	Premium paid at the time the Option is purchased. A Transaction made in D is debited to the buyer's account and the seller's account is credited, both movements with value date of the subsequent Clearing Day (D+1).
Tradable Series	<p>When each Option Class begins trading, a maximum of 6 series are launched: one At-the-money and 5 Out-of-the-money strikes, 1 Euro apart.</p> <p>The At-the-money strike price is the Out-of-the-money integer value closest to the price of the underlying available when the Option Class is launched.</p> <p>While OMIP may launch new series whenever it deems necessary, and at the request of its Members, as a general rule a new series is launched whenever the underlying price consistently:</p> <ul style="list-style-type: none"> • Is more than 100 ticks removed from the less Out-of-the-money listed strike, or; • Reaches the less Out-of-the-money listed strike.
Trading Model	<ul style="list-style-type: none"> • Auction trading or continuous trading through OMIP's Trayport Exchange Trading System (ETS). • Registration of Bilateral Transactions with OMIP via various platforms: ETS, eXRP da EFETNet or TCL of the Trayport.
Trading Calendar	<p>Same as underlying Futures Contracts.</p> <p>The trading calendar is announced by OMIP, on the basis that trading sessions take place every weekday (Monday to Friday) except for the days published in an OMIP Notice.</p>
Trading Hours	The same as for underlying Futures Contracts, as defined by OMIP in a Notice.
First Trading Day (FTD)	<ul style="list-style-type: none"> • Months: the FTD of the Option Contract of a given month (M) occurs on the first Trading Session of the second preceding month (M-2). • Quarters: the FTD of the Option Contract of a given quarter (Q) occurs on the first Trading Session of the second preceding quarter (Q-2). • Years: the FTD of the Option Contract of a given year (Y) occurs on the first Trading Session of the preceding year (Y-1).
Last Trading Day (LTD)	<ul style="list-style-type: none"> • Months: <ul style="list-style-type: none"> ○ For underlying Options Contracts corresponding to

	<p>January of each year, the LTD of Options occurs 6 (six) Trading Days before the LTD of the underlying Futures Contract;</p> <ul style="list-style-type: none"> ○ For underlying Options Contracts corresponding to all other months of each year, the LTD of Options occurs 2 (two) Trading Days before the LTD of the underlying Futures Contract;
	<ul style="list-style-type: none"> ● Quarters: <ul style="list-style-type: none"> ○ For underlying Options Contracts corresponding to the 2nd, 3rd and 4th quarters of each year, the LTD of Options occurs 2 (two) Trading Days before the LTD of the underlying Futures concerned. ○ For underlying Options Contracts corresponding to the 1st quarter of each year, the LTD of Options occurs 6 (six) Trading Days before the LTD of the underlying Futures. ● Years – the LTD is synchronized with the LTD of quarter Contracts: <ul style="list-style-type: none"> ○ If expiring in March, June and September, the LTD of annual Options Contracts occurs 2 (two) Trading Days before the LTD of the quarter Futures expiring in that month. ○ If expiring in December, the LTD of annual Options contracts occurs 6 (six) Trading Days before the LTD of the underlying Futures.
Trading Period	<p>Period between the FTD and the LTD, inclusive.</p> <ul style="list-style-type: none"> ● In the case of month Option Contracts, only one contract is being traded in the last six (6) Trading Days of December and in the two (2) last Trading Days of every other month of the year. ● In the case of quarter Options contracts, only one contract is traded in the last two (2) Trading Days of March, June and September, and in the last six (6) last Trading Days of December. ● In the case of annual Options contracts, no contract is traded in the last six (6) Trading Days of December.
Settlement Price (SP)	<p>OMIP defines, on a daily basis and for each Contract, a Settlement Price according to a methodology set by Instruction, using, in particular, the Black76 model combined with regular market consultations on its volatility.</p>
Daily Mark-to-Market	<p>Options Contracts are not subject to daily mark-to-market.</p>
Maximum Price Variation	<p>OMIP may define, for each Options Contract, limits of Maximum price Variation during the Trading Session.</p>
Initial Margin	<p>According to the portfolio of positions, as defined by OMIClear</p>

	Instruction.
Position Splitting Process (<i>Cascading</i>)	No cascading in the Options contracts. Cascading occurs for underlying Futures Contracts.
Expiry	At 3:00 pm of the LTD.
Exercise procedures	<p>Takes place on the LTD</p> <p>OMIP establishes a Reference Exercise Price at 2:00 pm of the LTD.</p> <p>There are two exercise models available to OMIClear:</p> <p><u>Pre-defined (automatic)</u></p> <p>Every member selects an In-the-money spread applicable to all Option exercises. By default, this spread is established at 0.00 €/MWh.</p> <p>Thus, for call Options, if the difference between the Strike Price and the Option Strike is above the mentioned spread, an automatic exercise is activated by OMIClear after 3:00 pm CET.</p> <p><u>Discretionary</u></p> <p>Each Member can manually override the automatic exercise for each series being exercised. This procedure must be activate with OMIClear between 9:00 am CET and 3:00 pm CET on the expiry day.</p>

Settlement at Maturity

Settlement at maturity is done by physical delivery, through which, for the exercise of an Option Contract buying or selling Transactions are registered in the underlying Futures Contract for the buyers, against the registration of inverse sign Transactions for the sellers involved in that settlement, under the terms defined by OMIClear Instruction:

- In the Call Options contracts, for each exercise a buying Transaction is registered in the underlying Futures Contract for each buyer, with the amount indicated by the buyer, at a price equal to the series strike price.
- In the Call Options contracts, following the exercise of buyers, a selling Transaction is registered in the underlying Futures Contract for each seller, with the calculation of the amount as defined by OMIClear Instruction, at a price equal to the series strike price.
- In the Put Options contracts, for each exercise, a selling Transaction is registered in the underlying Futures Contract for the buyer of the Option, at a price equal to the series strike price.
- In the Put Options contracts, following the exercise of buyers, a buying Transaction is registered in the underlying Futures Contract for each seller, with the calculation of the amount as defined by OMIClear Instruction, at a price equal to the series strike price.

With the exercise of an Option, the Transactions registered in the underlying Futures Contract:

- Are registered in the same Registration Account where the Options were registered, until the end of the Clearing Session of the expiry day;
 - The resulting positions are fully fungible with the pre-existing Positions. On the same day, they are subject to the first daily mark-to-market, along with the other Positions in Futures.
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Annex A – Nominal Value of Contracts (MWh)

Contracts	Delivery Period	Days	Nominal (MWh)
Months	February	28	672
	February (leap year)	29	696
	April, June, September and November	30	720
	January, May, July, August and December	31	744
	March	31	743
	October	31	745
Quarters	Q1 (1 January to 31 March)	90	2159
	Q1 (1 January to 31 March), leap year	91	2183
	Q2 (1 April to 30 June)	91	2184
	Q3 (1 July to 30 September)	92	2208
	Q4 (1 October to 31 December)	92	2209
Years	Normal year (365 days)	365	8760
	Leap Year (366 days)	366	8784