



GENERAL CONTRACTUAL CLAUSES

**MIBEL SPEL Base Financial
Futures Option Contracts**

27.May.2014

Versions Index

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Initial version

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Pursuant to **Articles 3 and 37 of the Trading Rulebook**, OMIP approves the General Contractual Clauses relating to the SPEL Base Financial Futures Option Contracts.

Clause 1 – Scope of Application

These General Contractual Clauses define the contents of Transactions in the following Contracts traded on the Market:

- a) MIBEL SPEL Month Base Financial Futures Option Contracts
- b) MIBEL SPEL Quarter Base Financial Futures Option Contracts
- c) MIBEL SPEL Year Base Financial Futures Option Contracts

Clause 2 – Underlying Asset

The Underlying Asset of each Option Contract is a MIBEL SPEL Base Financial Futures Contract, with the same reference delivery period.

Clause 3 – Types

OMIP lists the Call Option Contracts and the Put Option Contracts on MIBEL SPEL Base Financial Futures.

Clause 4 – Style

The MIBEL SPEL Base Financial Futures Option Contracts are of the European style.

Clause 5 – Classes

The MIBEL SPEL Base Financial Futures Option Contracts include the following standard classes:

- a) MIBEL SPEL Month Base Financial Futures Option Contracts: includes the Futures Option Contracts corresponding to the two subsequent months, and occasionally there may be only one month Option Contract being traded;
- b) MIBEL SPEL Quarter Base Financial Futures Option Contracts: includes the Futures Option Contracts corresponding to the two subsequent quarters and occasionally there may be only one quarter Option Contract being traded;
- c) MIBEL SPEL Year Base Financial Futures Option Contracts: includes the Futures Option Contracts corresponding to the subsequent year, but in the two last days of each year no Contract will be traded. Each year Option Contract shall have four maturity dates, namely at the end of March, June, September and December.

Clause 6 – Nominal Value of Contracts

The nominal value of an Option Contract is the nominal value of 1 (one) underlying MIBEL SPEL Base Financial Futures Option Contract, with the following implicit values, which are agreed to also be associated to their Option Contracts.

| Month Contracts | Days | Nominal Value (MWh) | Description |
|--------------------------------------|------|---------------------|--------------------------------|
| February | 28 | 672 | 28 x 24 MWh |
| February (leap year) | 29 | 696 | 29 x 24 MWh |
| April, June, September, November | 30 | 720 | 30 x 24 MWh |
| January, May, July, August, December | 31 | 744 | 31 x 24 MWh |
| March | 31 | 743 | 30 x 24 MWh + 23 MWh |
| October | 31 | 745 | 30 x 24 MWh + 25 MWh |
| | | | |
| Quarter Contracts | Days | Nominal Value (MWh) | Description |
| 1 st Quarter | 90 | 2159 | 89 x 24 MWh + 23 MWh |
| 1 st Quarter (leap year) | 91 | 2183 | 90 x 24 MWh + 23 MWh |
| 2 nd Quarter | 91 | 2184 | 91 x 24 MWh |
| 3 rd Quarter | 92 | 2208 | 92 x 24 MWh |
| 4 th Quarter | 92 | 2209 | 91 x 24 MWh + 25 MWh |
| | | | |
| Year Contracts | Days | Nominal Value (MWh) | Description |
| Normal calendar year | 365 | 8760 | 363 x 24 MWh + 23 MWh + 25 MWh |
| Leap calendar year | 366 | 8784 | 364 x 24 MWh + 23 MWh + 25 MWh |

Clause 7 – Form of quotation, Tick and Tick value

1. Pursuant to the preceding clause, each MIBEL SPEL Base Financial Futures Option Contract is quoted in Euros per MWh.
2. The minimum price fluctuation (Tick) is of one euro cent per MWh (0.01 €/MWh).
3. The Tick value (in euros) depends on the Nominal Value of each Contract, and its values are specified in the table below.

| Month Contracts | Tick Value (€) |
|--------------------------------------|----------------|
| February | 6.72 |
| February (leap year) | 6.96 |
| April, June, September, November | 7.20 |
| January, May, July, August, December | 7.44 |
| March | 7.43 |
| October | 7.45 |
| Quarter Contracts | Tick Value (€) |
| 1 st Quarter | 21.59 |
| 1 st Quarter (leap year) | 21.83 |
| 2 nd Quarter | 21.84 |
| 3 rd Quarter | 22.08 |
| 4 th Quarter | 22.09 |
| Year Contracts | Tick Value (€) |
| Normal calendar year | 87.60 |
| Leap calendar year | 87.84 |

Clause 8 – Exercise Price (Strikes)

1. The Exercise Price or Strike corresponds to the price paid by the buyer (in Call Options) or receives (in Put Options) to obtain (in Call Options) or deliver (in Put Options) the asset underlying the Option Contract.
2. The minimum interval between Exercise Prices is of 100 ticks, or 1.00 €/MWh.

Clause 9 – Payment of Premium

3. The Premium of a MIBEL SPEL Base Financial Futures Option Contract is paid when the Transaction is made. The accounts of the buyer and seller are debited and credited, respectively, with value date for the Clearing Day (D+1) following the Transaction.

4. The procedures for the financial settlement of the premium are set by OMIClear Instruction.

Clause 10 – Trading in Series

1. When launching each Class of MIBEL SPEL Base Financial Future Options, OMIP lists up to 6 Series:
 - a) One Series called 'At-the-money';
 - b) Up to 5 (five) more Series called 'Out-of-the-money'.
2. The strike of the At-the-money Series is the integer value less the Out-of-the-money on the day the Class is launched.
3. In addition to OMIP being able to launch new Series whenever it deems necessary, including at the request of its Members, as a general rule a new Series is launched whenever the price of the underlying Future consistently meets one of the following conditions:
 - a) If it is more than 100 ticks removed from the Exercise Price of the Series minus the Out-of-the-money;
 - b) Reaches the strike of the Series minus the Out-of-the-money.
4. As a result of the preceding paragraphs, whenever a Class reaches its maturity it can have dozens of Series being traded.

Clause 11 – MIBEL SPEL Month Base Financial Futures Option Contracts – Trading period, exercise and maturity dates

1. Notwithstanding the exception provided in paragraph 3 below, MIBEL SPEL Base Financial Futures Option Contracts whose underlying Futures Contracts have Delivery Periods corresponding to the 2 (two) closest months are open to trading at all times.
2. Month Contracts are launched on a monthly basis and have the following characteristics:
 - a) First Trading Day – the first trading day of the Option Contract with an underlying asset relating to a given month (M) takes place in the first Trading Session of the second previous calendar month (M-2);
 - b) Last Trading Day (LTD):
 - (i) For Option Contracts with underlying assets corresponding to January of each year, the LTD in question takes place 6 (six) Trading Days before the LTD of the corresponding underlying Futures Contract;
 - (ii) For Option Contracts with underlying assets corresponding to all the other months of the year, the LTD in question takes place 2 (two) Trading Days before the LTD of the corresponding underlying Futures Contract.
3. Under paragraph 2 above, there is only a month-type Class of MIBEL SPEL Base Financial Futures Option Contracts in the last six (6) Trading Days of December and in the two (2) last Trading Days of each of all other months of the year.
4. The exercise and maturity dates coincide with the LTD.

Clause 12 – MIBEL SPEL Quarter Base Financial Futures Option Contracts – Trading period, exercise and maturity dates

1. Notwithstanding the exception provided in paragraph 3 below, MIBEL SPEL Base Financial Futures Option Contracts whose underlying Futures Contracts have Delivery Periods corresponding to the 2 (two) closest quarters.
2. Quarter Contracts are launched on a quarterly basis and have the following characteristics:
 - a) First Trading Day – the first trading day of the Option Contract with an underlying asset relating to a given quarter (Q) takes place in the first Trading Session of the second previous calendar quarter (Q-2);
 - b) Last Trading Day (LTD):
 - (i) For Option Contracts with underlying assets corresponding to the 2nd, 3rd and 4th quarters of each year, the LTD in question takes place 2 (two) Trading Days before the LTD of the corresponding underlying Future.
 - (ii) For Option Contracts with underlying assets corresponding to the 1st quarter of each year, the LTD in question takes place 6 (six) Trading Days before the LTD of the corresponding underlying Futures.
3. Under paragraph 2 above, there is only a quarter-type Class of MIBEL SPEL Base Financial Futures Option Contracts in the last two (2) Trading Days of March, June and September, and in the last six (6) Trading Days of December.
4. The exercise and maturity dates coincide with the LTD.

Clause 13 – MIBEL SPEL Year Base Financial Futures Option Contracts – Trading period, exercise and maturity dates

1. Notwithstanding the exception provided in paragraph 4 below, Option Contracts with 4 (four) maturities for MIBEL SPEL Year Base Financial Futures, whose underlying Future has a Delivery Period corresponding to the year following the maturity year are open to trading
2. Notwithstanding the preceding paragraph, OMIP may decide not to open to trading some of the maturities referred to therein.
3. Year Option Contracts are launched on a yearly basis and have the following characteristics:
 - a) First Trading Day – the first trading day of the Option Contract with an underlying asset relating to a given year (Y) takes place in the first Trading Session of the previous year (Y-1);
 - b) Last Trading Day (LTD) – this is coordinated with the LTD of the quarter Contracts:
 - (i) If maturing in March, June and September, the LTD of year Option Contracts takes place 2 (two) Trading Days before the LTD of the quarter Future maturing in that month.
 - (ii) If maturing in December, the LTD of year Option Contracts takes place 6 (six) Trading Days before the LTD of its underlying Future.
4. Under paragraph 2 above, no Year Option Contract is traded in the last six (6) Trading Days of December.
5. The exercise and maturity dates coincide with the LTD.

Clause 14 – Disclosure of information on Contracts

For each MIBEL SPEL Base Financial Futures Option Contracts, OMIP provides on its website a file with its nominal value, the first and the last Trading day and also the exercise and maturity dates.

Clause 15 – Trading Form, Calendar, Time and Time References

1. Trading may be continuous, as auction or as bilateral transactions in OMIP, and is later registered with OMIClear via OMIP.
2. The registration of Option Contracts follows the provisions in the OMIP instruction on the registration of Bilateral Transactions.
3. The calendar and trading times are published in OMIP Notices.
4. The time references in these General Contractual Clauses refer to the Official Spanish Time.

Clause 16 – Daily mark-to-market, Margins and Limits of Maximum Price Variation

1. MIBEL SPEL Base Financial Futures Option Contracts are not subject to daily mark-to-market.
2. OMIP may define in a Notice, for each option Contract, Maximum Variation price limits during the Trading Session.
3. The method for clearing and calculating the Margins owed by the Positions open in each Option Contract is set by OMIClear Instruction.

Clause 17 – Settlement Price

After the closing of each Trading Session, OMIP defines, for each Option Contract, the Settlement Price (SP), according to the methodology established by Instruction.

Clause 18 – Position Splitting Process (Cascading)

Cascading shall not be applied to the MIBEL SPEL Base Financial Futures Option Contracts, but only to the underlying Futures Contracts.

Clause 19 – Exercise and Maturity

1. On the LTD that coincides with the maturity and exercise date:
 - a) The trading period of the MIBEL SPEL Base Financial Futures Option Contracts closes at 3 p.m.;
 - b) OMIP sets a Reference Exercise Price at 2 p.m.
2. There are two exercise models available to OMIClear:
 - a) A pre-defined one, called 'automatic', in which each agent chooses the spread In-the-money based on which an automatic exercise is activated in all Options. By default, OMIClear determines that spread in 0.00 €/MWh.

- b) However, each agent can cancel the automatic exercise from a discretionary exercise for each Series under exercise. This procedure must be executed with OMIClear during the exercise period, between 9 a.m. and 3 p.m. of the maturity day.
- 3. The methodology and procedures involved in the entire exercise process are set by an OMIClear Instruction.

Clause 20 – Settlement at Maturity

- 1. Settlement at maturity is done by physical delivery, through which a MIBEL SPEL Base Financial Futures Option Contract, upon the exercise, gives the buyer the right to register a Transaction in the underlying Futures Contract:
 - a) In the Call Options, upon the exercise, a buying Transaction in the underlying Futures Contract is registered to the buyer of the Option at a price equal to the Option's exercise price.
 - b) In the Put Options, upon the exercise, a selling Transaction in the underlying Futures Contract is registered to the buyer of the Option at a price equal to the Option's exercise price.
- 2. With the exercise of an Option, the Transactions registered in the underlying Futures Contract:
 - a) Are registered in the same Registration Account where the Option Contracts were registered, until the end of the Clearing Session of the maturity day;
 - b) Are fully fungible with the pre-existing corresponding Positions;
 - c) On the same date, they are subject to the first daily mark-to-market, along with the other Positions in Futures.

Clause 21 – Interpretation and integration

The interpretation and integration of these General Contractual Terms follow the Market Rules.

Clause 22^a – Entry into Effect

These General Contractual Clauses were communicated to the CMVM on 20 March 2014 and enter into effect on 27 May 2014.

The Board of Directors