



Appendix 1 to Market Notice 2016/027
Contract specifications for FTSE 100 Index weekly options

FTSE 100 Index weekly options

Parameter	Description	
Contract Underlying	The FTSE 100 Index. The benchmark Index for the United Kingdom.	
Type of Contract	European Style, Cash settled Call and Put Option Contracts.	
Central Counterparty	LCH.Clearnet.	
Trading Hours	<p>08:00 – 17:00 London time for Order book trading and Block Trading. 07:30 – 17:30 London time for manual Trade Reporting. On Expiration Day, trading finishes as soon as reasonably practicable after 12:02 once the mid-day intraday auction on the London Stock Exchange ends and the Expiry Settlement Price of the Index has been determined. If Expiration Day is a half-day (i.e. final Trading Day before Christmas or final Trading Day of the calendar year), then trading finishes as soon as reasonably practicable after 12:35 once the closing auction of the London Stock Exchange ends and the official closing value of the Index has been determined.</p>	
Exercise Window	18:10 – 18:40 London time on Expiration Day.	
Multiplier	GBP 10 per Index point.	
Currency	GBP, British Pound, £.	
Quotation display	Option Premium in Index points.	
Tick Size and Tick Value	Tick Size	Tick Value
	0.5	GBP 5
Settlement style	Cash Settlement.	
Option style	European Style.	
Listing Day	<p>Each Thursday of the month. Where this is not a normal Trading Day, the preceding Trading Day shall be used. The FTSE 100 weekly option contract with maturity corresponding to the Expiration Day of the FTSE 100 monthly option (i.e. Third Friday) is not admitted to trading.</p>	
Expiration Day and Week	<p>Each Friday of the month, except the third Friday. If the Market is closed on this day, the preceding Trading Day shall be used.</p>	
Contract lifetimes	Out to 2 weeks	
End of Day Price	Price used to calculate theoretical value of Option Contract positions in order to facilitate the margining process at the clearing level. This price is calculated in accordance with standard Black Scholes options pricing model.	
Exercise Settlement Price	<p>On normal Trading Days, the value of the FTSE 100 Expiry Index as calculated by FTSE at 12:02 on the Expiration Day or as soon as reasonably practicable, following the mid-day intraday auction on the London Stock Exchange http://www.lseg.com/sets/intra-day-auctions (plus up to 30 seconds random interval and any price monitoring extensions or Market Order extensions in any of the constituent Stocks). On half-days (i.e. final Trading Day before Christmas or final Trading Day of the calendar year), the official closing value of the FTSE 100 Index. The London Stock Exchange Derivatives Market shall take the identified index value and round to the nearest 0.5 Index points to establish the Exercise Settlement Price.</p>	
Exercise Settlement	One Bank Day after Expiration Day for payment of Exercise Settlement Amount.	
Premium Settlement	One Bank Day after the Trade Day.	