

## Contract Specification - The Nasdaq-100 Index Option

Description of Index	The Nasdaq-100 is a modified capitalization weighted index composed of 100 of the largest non-financial securities listed on the Nasdaq Stock Market. The index was created in 1985 with a base value set to 250 on February 1 of that year. After reaching a level of nearly 800 on December 31, 1993, the index level was halved on January 3, 1994.
Components	The Nasdaq-100 Index.
Trading Unit	The minimum trade size is one option contract. The notional value underlying each contract equals \$100 multiplied by the Index value.
Expiration Cycle	Three consecutive near-term expiration months plus two successive months from the March cycle.
Expiration	The Saturday following the third Friday of the expiration month.
Last Trading Day	Two business days prior to expiration (normally a Thursday).
Exercising Options	European style. Options may be exercised only on the last business day prior to expiration (normally a Friday). Writers are subject to assignment only at expiration. Check with your broker to ascertain cut-off times for exercise and provisions for automatic exercise.
Delivery Method If Exercised	Cash settlement based on the dollar difference between the final settlement value of the Index and strike price of the contract multiplied by \$100.
Exercise Price Intervals	Exercise (strike) prices are set at \$5.00 intervals.
Options Premium Quotations	Stated in dollars and cents. Minimum price variant \$0.05 (nickel) for series trading under \$3.00 and \$0.10 (dime) for series trading \$3.00 and above.
Index Settlement Value	The exercise-settlement value, NDS, is calculated based on the NASDAQ Official Opening Price (NOOP) for each of the component securities on the last business day before the expiration date (usually a Friday). In the event a component security in the NASDAQ 100 Index does not have a NASDAQ Official Opening Price on Settlement Day, the closing price from the previous trading day will be used to calculate the Settlement Value. The exercise-settlement amount is equal to the difference between the exercise-settlement value, NDS, and the exercise price of the option, multiplied by \$100.
Settlement of Exercise	Next business day following expiration.
Position Limits	Unlimited.
Minimum Customer Margin For Uncovered Writers	100% of the market value of the option plus 15% of the aggregate Index value less any out-of-the-money amount, subject to a minimum of 100% of the market value of the option plus 10% of the aggregate Index value.
Trading Hours	9:30 a.m. to 4:15 p.m., New York time.
Trading System	Specialist/Registered Options Trader.
Trading Symbol	NDX