

NASDAQ OMX U.S. TREASURY NOTE & BOND OPTIONS

CONTRACT SPECIFICATIONS

CONTRACT NAME	U.S. Treasury Options	
CUSIP NUMBER	Identifies underlying Treasury Security	
DESCRIPTION & CONTRACT SIZE	Physically settled options on specific cusip U.S. TREASURY 10-YR NOTES AND 30-YR BONDS having a \$10,000 FACE VALUE . Prices are quoted in terms of U.S. DOLLARS PER UNIT of the underlying Treasury security CONSISTING OF BASE PRICE and HUNDRETHS OF A FULL POINT (\$0.00) . PREMIUM IS PAID and received in U.S. dollars.	
CONTRACT LISTINGS	Three consecutive expiration months; so as not to coincide or overlap with the subsequent auction on the same Treasury security product. Additionally, no options contracts will include a coupon payment. First trading day is the first business day following the third Friday of the month.	
TRADING HOURS	9:30 AM to 4:00 PM ET	
TRADING PLATFORM	PHLX XL	
TICKER SYMBOLS	<p>FOR 30 YEAR BONDS</p> <ul style="list-style-type: none"> ▶ THIFB (February Auction) ▶ THIMY (May Auction) ▶ THIAG (August Auction) ▶ THINV (November Auction) 	<p>FOR 10 YEAR NOTES</p> <ul style="list-style-type: none"> ▶ TENFB (February Auction) ▶ TENMY (May Auction) ▶ TENAG (August Auction) ▶ TENNV (November Auction)
PREMIUM QUOTATION	<p>ONE POINT = \$100</p>	<p>PREMIUM QUOTE OF 2.10 = \$210</p>
		<p>MINIMUM CHANGE IN A PREMIUM = .01 (\$1.00)</p>
EXERCISE STYLE	European – may be exercised only on the last business day before expiration.	
SETTLEMENT	Physical Settlement	

SETTLEMENT PROCESS

EXPIRATION DATE — TRADE DAY

- ▶ OCC uses the exercise and assignment process to match Clearing Members with short and long positions.
- ▶ Produces a Delivery Invoice Report using the default Banking instructions previously provided by the Clearing Members.

EXPIRATION DATE +1 BUSINESS DAY

- ▶ The deliverer and receiver Submit a two-sided trade in to FICC's Real Time Trade Matching (RTTM) system.
- ▶ FICC compares the two trade submissions and matches them.
- ▶ Once FICC makes a match, they step in as guarantor that the trade will settle.
- ▶ FICC provides an immediate match notification to the firms when the match occurs.
- ▶ If a match doesn't occur by 8:00 PM ET, FICC notifies the firms shortly after the deadline for submission has closed.
- ▶ Trades that have matched are considered for both variation and risk margin within FICC.
- ▶ These same trades would also be margined within OCC's system until the morning of the next business day, unless OCC is notified of a non-match situation in which case OCC would continue to hold margin until a trade match at FICC is made.

EXPIRATION DATE +2 BUSINESS DAY

- ▶ FICC nets all settling trades and provides netted settlement instructions to the clearing member banks via FedWire.
- ▶ Those net settlement instructions would begin settling as soon as FedWire opens.
- ▶ If there is a failure to Match the transaction at FICC, the Clearing Members must notify OCC of such failure. Please refer to OCC'S By-Laws & Rules for the procedures that are followed in such a scenario.

EXERCISE THRESHOLD

Automatic exercise ("Auto-Ex") of expiring options contracts shall be \$0.01.

LAST TRADING DAY FOR EXPIRING CONTRACTS

The third Friday of the expiration month.

EXPIRATION DATE

Saturday following the third Friday of the expiration month.

DELIVERY DAY FOR EXPIRING CONTRACTS

The second business day on which OCC is open for business following the last trading day for expiring contracts.

EXERCISE (STRIKE) PRICE INTERVALS

The Exchange shall **DETERMINE FIXED-POINT INTERVALS** of exercise prices. Generally, the exercise (strike) price **INTERVAL SHALL BE SET AT HALF-POINT INTERVALS (99, 99.5, 100, 100.5)**. Consult **PHLX RULE 1012** for further information.

POSITION LIMITS

75,000 CONTRACTS on the same side of the market

ISSUER AND GUARANTOR

The Options Clearing Corporation

- ▶ For clearing questions, contact your OCC account representative.

MORE INFORMATION

WWW.NASDAQOMXTRADER.COM/TREASURIES

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