

## ETN Options Contract Specification

Description	Exchange Traded Notes options are standardized put and call options on underlying exchange traded notes (ETNs). ETNs are the nonconvertible debt of an issuer that has a term of at least one year but not greater than thirty years. Despite the fact that ETNs are linked to at least one underlying index or asset ("Reference Asset"), each trade as a single, exchange-listed security.
Trading Unit	The minimum trade size is one option contract. Each contract represents 100 shares of the underlying ETN. (Corporate actions, such as rights offerings, stock dividends, and mergers, can result in adjusted contracts representing something other than 100 shares of stock.)
Expiration Cycle	Two consecutive near term expiration months plus two successive months from the January, February or March cycle.
Expiration	The Saturday following the third Friday of the expiration month.
Last Trading Day	The last business day prior to expiration (normally a Friday).
Exercising Options	American style. Options may be exercised on any business day prior to expiration.
Delivery Method if Exercised	Exercise notices properly tendered on any business day will result in delivery of the underlying ETN on the third business day following exercise.
Exercise Price Intervals	Exercise (strike) prices are set at \$1.00 intervals bracketing the current value of the underlying ETN up to \$200. Above \$200, exercise (strike) prices are set at \$5.00 intervals bracketing the current value of the underlying ETN.
Option 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. Beginning on or about 01/26/07, some option classes will have different MPVs. For more information, view <a href="#">NYSE Arca Options participation in the penny pilot program</a> .
Settlement of Exercise	Three business days following exercise.
Minimum Customer Margin for Undercovered Writers	100% of the market value of the option plus 20% of the value of the underlying security less any out-of-the-money amount, subject to a minimum of 100% of the market value of the option plus 10% of the value of the underlying security.
Trading Hours	Trading hours for ETN options varies by product. For information on a specific ETN option trading hours, contact your broker.
Trading System	Lead Market Maker/Registered Options Trader.