

PHLX Housing Sector (HGX)

PHLX Index Options – Sector Based

The PHLX Housing SectorSM (HGXSM) is a modified capitalization-weighted index composed of companies whose primary lines of business are directly associated with the U.S. housing construction market. The index composition encompasses residential builders, suppliers of aggregate, lumber and other construction materials, manufactured housing and mortgage insurers. HGX was set to an initial value of 250 on January 2, 2002; options commenced trading on July 17, 2002.

PRODUCT SPECIFICATIONS: PHLX HOUSING SECTOR (HGX)

Symbol	HGX
Trading Symbol	HGX
CUSIP® Number	71879Y104
Expiration Date	The third Friday of the expiration month.
Expiration Cycle	Generally, three months from the March quarterly cycle plus two additional near-term months (a minimum of five months). PM settled quarterlies may be listed.
Settlement Value Symbol	HGD
Exercise Style	European - may only be exercised on the expiration date.
Settlement	Cash
Settlement Value for Expiring Contracts	Based on the opening prices of the component stocks on the expiration date.
Last Trading Day for Expiring Contracts	The last business day before the expiration date (usually a Thursday).
Index Value Calculation	Modified Capitalization of the Index/ Base Market Divisor
Exercise (Strike) Price Intervals	The Exchange shall determine fixed-point intervals of exercise prices for index options. Generally, the exercise (strike) price intervals will be no less than \$5. However, the Exchange may determine to list strike prices at no less than \$2.50 intervals if the strike price is less than \$200 for listed indexes, and in response to demonstrated customer interest or specialist request. Additionally, the Exchange may also introduce strike prices in \$1 intervals, given that the strike price is below \$200 to provide greater investor flexibility.
Premium Quotation	One point = \$100. Thus a premium quote of 2 is \$200. The minimum change in a premium under 3 is \$5.00 and the minimum change in a premium of 3 or greater is \$10.00.
Position Limits	94,500 contracts on the same side of the market. Hedge exemptions are available.
Trading Hours	9:30 a.m. to 4:00 p.m., ET
Issuer and Guarantor	The Options Clearing Corporation (OCC)