

coinbase DERIVATIVES

I. Contract Description

Hedera Futures is a monthly cash-settled and margined index futures contract. Each contract represents 5000 Hedera. At the current price of approximately \$0.30, the notional value of each contract would be approximately \$1500.

Contract Specifications

Product	Hedera Futures
Product Type	USD-settled index future
Contract Size	5000 Hedera
Displayed Price Example	\$0.3001
Contract Notional	~\$1500.00 Contract notional (i.e. ~\$0.30 x 5000)
Contract Code	HED
Minimum Tick Size and Value	Min tick size: \$0.00001 per Hedera Min tick value: \$0.05 per Contract
Listed Contracts	3 nearest monthly Contracts
Daily Settlement	Daily Settlement: 3:00 PM CT 1. 1-min VWAP of futures Contract rounded to the nearest tradable tick 2. 1-min TWAP of futures Contract midpoint of the bid/ask rounded to the nearest tradable tick 3. If a two-sided market is not available during the sixty (60) seconds prior to 3:00 PM CT, then the Settlement Price will be the Market Vector Coinbase CBHED index value - (difference between previous day's CBHED value and previous day's futures settlement)
Final Settlement	Final settlement price of the expiring Contract will be the value of the Market Vector Coinbase Hedera benchmark reference rate (CBHED) at 4:00 PM London time, calculated and disseminated by Market Vector. Contracts will be cleared by Nodal Clear. The CBHED value is determined using a 2-hour settlement window, MVIS breaks the period into 40 3-minute intervals. In each of these intervals, MVIS aggregates all trades and volume from the constituent exchange and calculates a volume weighted median price for the interval. The settlement is based on a simple average of the 40 volume weighted median prices calculated. Should any abnormal activity occur during the settlement window, any combination of the following measures will be considered: <ol style="list-style-type: none"> Should the index provider detect an abnormal price during the settlement window, the price shall be removed from the calculation Should the Coinbase Derivatives Command Center determine the settlement price is not representative of the market, it will manually settle the Contract using sources of historical data and prices on other exchanges and indexes.
Price Fluctuation Limits	10% of hourly calculated reference price
Last Trading Day	Trading terminates at 4:00 PM London time on the last Friday of the Contract month. If that day is not a business day in the U.S., trading terminates on the preceding day that is a U.S. business day.
Position Limits	6000 Hedera Futures

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	At a price of \$0.30 per HBR and contract multiplier of 5000, this represents ~\$9M notional, which is 0.07% of the \$13B market cap.
Large Trader Reporting	25 contracts
Trading Hours	5:00 - 4:00 PM CT Sunday - Friday, with a trading halt from 4:00 PM - 5:00 PM CT Monday - Thursday.