



EURONEXT DERIVATIVES MARKETS

## AMSTERDAM NOTICE 07/016

### Amsterdam market

**ISSUE DATE:** 16 April 2007  
**EFFECTIVE DATE:** 23 April 2007

### INTRODUCTION OF REVISED SERIES POLICY FOR AEX-INDEX® OPTION CONTRACTS

#### Executive summary

This Notice informs members of a revised policy for the introduction of series in relation to AEX-index Option Contracts.

1. This Notice informs members that the Exchange will introduce a revised series policy for AEX-index Option Contracts on and from 23 April 2007. This will entail changes to the minimum number of exercise prices listed per expiry month and the applicable series intervals. The number of expiry months listed will not change as a result of the introduction of the revised policy.
2. For the AEX-index option class it will be possible to have multiple series intervals applicable per expiry month. The around the money series will have smaller series intervals in comparison to the deeper in- and out-of-the-money series. In this way the Exchange will create more diversity between the series available for trading.
3. The exercise price of each series is fixed in accordance with the following scheme:

AEX-index Interval Scheme					
Interval Scales in indexpoints					
Scale A	Scale B	Scale C	Scale D	Scale E	Scale F
2.5	5	10 (new)	20	40	80 (new)

Web site: [www.euronext.com/derivatives](http://www.euronext.com/derivatives)

The Euronext Derivatives Markets ("Euronext.liffe") include the markets for derivatives operated by Euronext Amsterdam, Euronext Brussels, Euronext Lisbon, Euronext Paris and LIFFE Administration and Management, referred to respectively as the Amsterdam, Brussels, Lisbon, Paris and London markets.

**Euronext NV, PO Box 19163, 1000 GD Amsterdam, The Netherlands**

4. The revised series policy will introduce a minimum number of series per expiry month depending on the remaining lifetime of the expiry month. The minimum number of in-the-money (ITM), at-the-money (ATM<sup>1</sup>) and out-of-the-money (OTM) series to be introduced initially will be as follows:

**≤ 1 month to expiry**

For expiry months with a remaining lifetime of up to and including 1 month:

At least 11 series

- 5 series around the money - Interval Scale A: 1<sup>st</sup> ITM+2<sup>nd</sup> ITM+ATM+1<sup>st</sup> OTM+2<sup>nd</sup> OTM
- 6 series - Interval Scale B: 3<sup>rd</sup> ITM+4<sup>th</sup> ITM+5<sup>th</sup> ITM+3<sup>rd</sup> OTM  
+4<sup>th</sup> OTM +5<sup>th</sup> OTM

**> 1 to ≤ 2 months to expiry**

For expiry months with a remaining lifetime exceeding 1 month and up to and including 2 months:

At least 9 series

- 5 series around the money - Interval Scale B: 1<sup>st</sup> ITM+2<sup>nd</sup> ITM+ATM+1<sup>st</sup> OTM+2<sup>nd</sup> OTM
- 4 series - Interval Scale C: 3<sup>rd</sup> ITM+4<sup>th</sup> ITM+3<sup>rd</sup> OTM+4<sup>th</sup> OTM

**> 2 to ≤ 6 months to expiry**

For expiry months with a remaining lifetime exceeding 2 months and up to and including 6 months:

At least 9 series

- 3 series around the money - Interval Scale C: 1<sup>st</sup> ITM+ATM+1<sup>st</sup> OTM
- 6 series - Interval Scale D: 2<sup>nd</sup> ITM+3<sup>rd</sup> ITM+4<sup>th</sup> ITM+2<sup>nd</sup> OTM  
+3<sup>rd</sup> OTM+4<sup>th</sup> OTM

**> 6 to ≤ 24 months to expiry**

For expiry months with a remaining lifetime exceeding 6 months and up to and including 24 months:

At least 7 series

- 3 series around the money - Interval Scale D: 1<sup>st</sup> ITM+ATM+1<sup>st</sup> OTM
- 4 series - Interval Scale E: 2<sup>nd</sup> ITM+3<sup>rd</sup> ITM+2<sup>nd</sup> OTM+3<sup>rd</sup> OTM

**> 24 months to expiry**

For expiry months with a remaining lifetime exceeding 24 months:

At least 5 series

- 3 series around the money - Interval Scale E: 1<sup>st</sup> ITM+ATM+1<sup>st</sup> OTM
- 2 series - Interval Scale F: 2<sup>nd</sup> ITM+2<sup>nd</sup> OTM

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<sup>1</sup> The option series whose price differs the least from the price of the underlying is considered to be the at-the-money series. There will be no at-the-money series in a situation where the market price of the underlying security is exactly halfway between two series.

5. The following tables provide a summary of the exercise prices per expiry month at time of listing:

Time to maturity	1 month	2 months	3,6 months	9,12,18, 24 months	36,48,60 months																																																																																		
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6. A price established on a trading day (T) will be the reference used to determine the introduction of additional series on the next trading day (T+1) to have at least the minimum number of in- and out-of-the-money series listed.
7. The necessary amendments to the Euronext.liffe Trading Procedures will appear on the Euronext website ([www.euronext.com](http://www.euronext.com)) in due course.

#### Further information

For further information in relation to this Notice, members should contact:

Sales and account management department +31 20 5506315 [derivativesamsterdam@euronext.com](mailto:derivativesamsterdam@euronext.com)