EURONEXT DERIVATIVES NOTICE

Amsterdam Market | No. NO160422DE1
Issue Date: 22 April 2016
Effective Date: 29 April 2016

INTRODUCTION OF ADDITIONAL OPTION ON AN ETF

Executive Summary

Euronext will list an additional ETF option class on iShares Core FTSE 100 UCITS ETF (Dist)[1] on the Amsterdam derivatives market and invites Members to apply for Liquidity Provider roles. The option class will be available for trading as from 29 April 2016.

1. Introduction

1.1 Euronext will launch an additional ETF option on the Derivatives Market of Euronext Amsterdam on 29 April 2016. The ETF option contract specifications are similar to Individual Equity Options and a Price Pro Rata trading algorithm is applied to central order book trades. The contract specifications are shown in the attachment.

Option name	Option trading symbol	Underlying[1]	ISIN-code
ISF Option	ISF	iShares Core FTSE 100 UCITS ETF (Dist)	IE0005042456

1.2 The exchange trading fees are equal to the exchange trading fees that are charged for Individual Equity Options listed on the Amsterdam market.

2. Liquidity Provider information

2.1 Euronext will select up to three Primary Market Makers (PMMs) and six Competitive Market Makers (CMMs) on the basis of applications received from Members.

[1] The referential use of the name of the indices is necessary to indicate the underlying value and performance of the Financial Product. These indices may be registered as trademark by third parties. The Euronext Financial Products are not sponsored, endorsed, sold or promoted by those third parties.

Members are informed that the maximum bid/offer spread and minimum order size will be as follows:

	Bid price (€):							
	0.00 ≤ 0.50	0.51 ≤ 1.00	1.01 ≤ 2.00	2.01 ≤ 3.00	3.01 ≤ 5.00	5.01 ≤ 10.00	>10.00	
Term:	**Maximum spreads (€)**							**Minimum size**
≤ 3 months	0.10	0.15	0.25	0.40	0.50	0.75	1.00	500
> 4 ≤ 12 months	0.15	0.25	0.40	0.50	0.75	1.00	1.50	250
> 12 months	0.25	0.40	0.50	0.75	1.00	1.50	2.00	100

2.2 All Members are eligible to apply for PMM or CMM status.

2.3 Current Liquidity Providers in ETF Options listed on the Amsterdam market wishing to apply for a Liquidity Provider role should complete the Derivatives Liquidity Provider **Update Form**.

2.4 Members who currently are not a Liquidity Provider in ETF Options listed on the Amsterdam market and wishing to apply for a Liquidity Provider role should complete the Derivatives Liquidity Provider **Registration Form**.

2.5 Both the Update and Registration Forms are available on the Euronext website and should be sent to the Global Analytics department via email (LPEurope@euronext.com) by no later than the close of business on **26 April 2016**. Also, the applicant should provide two hard copies of the relevant completed form to Euronext for the attention of Global Analytics, 14 place des Reflets, 92054 Paris La Défense Cedex, France to be received no later than midday on **28 April 2016**.

2.6 Members are reminded that the appointment of each Liquidity Provider will be subject to a binding contract ("the Agreement") between the successful applicant and Euronext. The Agreement will consist of the Terms and Conditions as published on the Euronext website, the Liquidity Provider Registration Form and, where appropriate, any Update Form. Furthermore, a successful applicant's status, and therefore the period for which the Liquidity Provider may receive financial benefits, may not be deemed to have commenced until the relevant Liquidity Provider Registration Form or Update Form is completed and confirmed by all parties. Please note that in terms of effectiveness, the date is confirmed in writing by Euronext.

2.7 In the event that any business which may rise to a benefit under the terms of this programme may also qualify as business undertaken by the Liquidity Provider giving rise to a benefit under any other Exchange liquidity provision, market making or other similar programme or arrangement, Euronext reserves the right in its absolute discretion to take one or more of the following actions:

- Withhold the credit of any further rebates otherwise due under the programme.
- To re-charge some or all of the discounted transaction fees made under the programme.
- To terminate the Agreement by notice to the parties with immediate effect.

2.8 For the full Liquidity Provider programme specifications and revenue share details please refer to the programme documents which are available on the Euronext website.

3. Price Limits

3.1 Euronext hereby announces that Price Limit Category 4 for Amsterdam Individual Equity Options will apply to the ISF Option class.

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

Global Analytics	+31 (0)20 721 4258		LPEurope@euronext.com
EMS Derivatives desk	Telephone (calling from):		EMSDerivatives@euronext.com
	Belgium	+32 2 620 0585	www.euronext.com/services-support
	France	+33 1 8514 8585	
	Portugal	+351 2 1060 8585	
	The Netherlands	+31 20 721 9585	
	UK	+44 20 7660 8585	

Attachment

The contract specifications for options on ETFs are as follows:

Contract size	100 shares
Trading unit	100
Pricing unit	1
Currency	Euro
Option price	Premium x trading unit
Tick size	If the premium of an order at order entry is below or equal to the premium threshold, the tick size is € 0.01 (€ 1 per contract) If the premium of an order at order entry is above the premium threshold, the tick size is € 0.05 (€ 5 per contract) The premium threshold is equal to € 0.50
Option style	American style
Wholesale services	Large-in-Scale Facility, AtomX
Trading hours	Central Order Book 09:06 – 17:30 CET Large-in-Scale Facility 07:00 – 18:30 CET
Expiry months	Initial lifetime: 1, 2 and 3 monthly options Cycle: Every month Initial lifetime: 6, 9 and 12 month quarterly options Cycle: March, June, September, December
Last day of trading	Trading ceases at 17:30 CET on the third Friday of the expiry month. In the event that the third Friday is not a business day, the Last Trading Day shall normally be the last business day preceding the third Friday.
Exercise	Exercise until 19:15 CET on any business day, Exercise until 19:45 CET on the Last Trading Day
Settlement	Delivery of 100 shares through the settlement system of LCH.Clearnet S.A.
Trading algorithm	Central order book applies a Price Pro Rata trading algorithm. With this algorithm priority is given to orders at the best price (highest for a bid, lowest for an offer). If there are several orders at this best price, equal priority is given to every order at this price and incoming business is divided among these orders in proportion to their volume.
Clearing organization	LCH.Clearnet S.A.
SPAN margin parameters	As determined by LCH.Clearnet S.A.