

## EURONEXT DERIVATIVES NOTICE

Amsterdam Market

No. NO160422DE3

Issue Date:

22 April 2016

Effective Date:

29 April 2016

### AtomX: INTRODUCTION OF FLEXIBLE OPTION CLASSES ON AN ETF

#### Executive Summary

This notice informs Members of the introduction of flexible ETF options on iShares Core FTSE 100 UCITS ETF (Dist)<sup>1</sup>. These contracts will be available on AtomX, Euronext's off-order book, on-exchange trade reporting service.

#### 1. Introduction

1.1 Euronext will launch additional flexible ETF options on AtomX as from 29 April 2016.

The trading symbols of the flexible ETF options are shown in the table below:

Option name	Option trading symbol	Underlying <sup>1</sup>	ISIN-code
ISF Flex American Physical Option	6IZ	iShares Core FTSE 100 UCITS ETF (Dist)	IE0005042456
ISF Flex American Cash Option	7IZ		
ISF Flex European Physical Option	8IZ		
ISF Flex European Cash Option	9IZ		

1.2 The contract specifications for the flexible ETF options can be found in the attachment.

1.3 The AtomX service provides flexibility for investors by allowing them to tailor derivatives instruments with strike prices, option types, settlement styles and expiry dates (restricted to 3rd Friday at launch) that are not available on the central order book, and to report trades through either a web interface or a dedicated electronic connection. Clients can also benefit from the capital and operational efficiencies of clearing flexible trades in the same clearing pool as their existing Euronext positions.

#### 2. Onboarding

Members who wish to access the AtomX solution must:

Fill out and return the 'Request for Extension of Trading Activity form' to the Euronext Membership department. The form can be found via [www.euronext.com/membership/admission-proces/membership-applications-extensions](http://www.euronext.com/membership/admission-proces/membership-applications-extensions) under 'Existing Euronext Members' > 'b. on the Euronext Derivatives markets'.

<sup>1</sup> 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.

2.1 Request an electronic certificate and credentials from Euronext’s Customer Access Services (CAS) team.

2.2 Sign the updated Trading Platform Agreement (TPA).

### 3. documentation

Additional details are available on the Euronext website as follows:

3.1 AtomX webpage

[www.euronext.com/atomx](http://www.euronext.com/atomx)

- Flex Instrument: Contract specifications
- AtomX User Guide
- Factsheet: Flex on Euronext AtomX
- Factsheet: Euronext Single Stock Options

3.2 Onboarding webpage

[www.euronext.com/membership/admission-proces/membership-applications-extensions](http://www.euronext.com/membership/admission-proces/membership-applications-extensions)

- Request for extension of trading activity
- Trading Platform Agreement (TPA)
- AtomX Login creation order Form

3.3 Market Data

[www.euronext.com/it-documentation/market-data](http://www.euronext.com/it-documentation/market-data): IT documentation > Market Data > Technical Documentation > Derivatives

- XDP-D Specification
- XDP-D XML Standing Data Specification
- XDP-D Configuration documents for EUA and Production

3.4 Order Entry

[www.euronext.com/connectivity/it-documentation/order-entry](http://www.euronext.com/connectivity/it-documentation/order-entry): IT documentation > Order Entry > Technical Documentation > Derivatives

- AtomX API Client Specifications describing the messages to access the services of the AtomX Trade Manager gateway (SOAP-based API)

For further information in relation to this Notice, contact your relationship manager at [ccc@euronext.com](mailto:ccc@euronext.com) or:

EMS Customer Technical Support Group	+33 1 85 148 588	<a href="mailto:CTSG@euronext.com">CTSG@euronext.com</a>
Customer Access Support	+33 1 8514 8589	<a href="mailto:CAS@euronext.com">CAS@euronext.com</a>
Membership (Onboarding & Client Administration)	+ 31 20 721 4264	<a href="mailto:EuronextMembership@euronext.com">EuronextMembership@euronext.com</a>
EMS Derivatives desk	<a href="http://www.euronext.com/services-support">www.euronext.com/services-support</a>	<a href="mailto:EMSDerivatives@euronext.com">EMSDerivatives@euronext.com</a>
Telephone (calling from):	Belgium	+32 2 620 0585
	France	+33 1 8514 8585
	Portugal	+351 2 1060 8585
If your enquiry relates to AtomX, press 7	The Netherlands	+31 20 721 9585
	UK	+44 20 7660 8585

## Attachment: Flexible Stock/ETF Options contract specifications

	Flexible Individual Stock/ETF Options American Style - Physical Delivery	Flexible Individual Stock/ETF Options American Style - Cash Settlement	Flexible Individual Stock/ETF Options European Style - Physical Delivery	Flexible Individual Stock/ETF Options European Style - Cash Settlement
Contract size	One option normally equals rights over 100 underlying shares	One option normally equals rights over 100 underlying shares	One option normally equals rights over 100 underlying shares	One option normally equals rights over 100 underlying shares
Unit of trading	100	100	100	100
Pricing unit/quotation	Euros per share	Euros per share	Euros per share	Euros per share
Minimum price movement (tick size and value)	€ 0.0001 (€ 0.01 per contract)	€ 0.0001 (€ 0.01 per contract)	€ 0.0001 (€ 0.01 per contract)	€ 0.0001 (€ 0.01 per contract)
Option style	American style	American style	European style	European style
Expiry months	Any month with a maximum lifetime that is equal to the longest dated month of any standard contract that is available on the same underlying value Minimum lifetime: next business day	Any month with a maximum lifetime that is equal to the longest dated month of any standard contract that is available on the same underlying value Minimum lifetime: next business day	Any month with a maximum lifetime that is equal to the longest dated month of any standard contract that is available on the same underlying value Minimum lifetime: next business day	Any month with a maximum lifetime that is equal to the longest dated month of any standard contract that is available on the same underlying value Minimum lifetime: next business day
Introduction of new exercise prices and exercise price intervals	Exercise price interval: 0.01 Minimum exercise price: 0.01 The exercise price is allowed to be a maximum of 100% away from the underlying value at the moment of the first trade. Maximum allowed strike: 3599.99	Exercise price interval: 0.01 Minimum exercise price: 0.01 The exercise price is allowed to be a maximum of 100% away from the underlying value at the moment of the first trade. Maximum allowed strike: 3599.99	Exercise price interval: 0.01 Minimum exercise price: 0.01 The exercise price is allowed to be a maximum of 100% away from the underlying value at the moment of the first trade. Maximum allowed strike: 3599.99	Exercise price interval: 0.01 Minimum exercise price: 0.01 The exercise price is allowed to be a maximum of 100% away from the underlying value at the moment of the first trade. Maximum allowed strike: 3599.99
Wholesale minimum trade size	1	1	1	1
Daily settlement tick size	€ 0.0001	€ 0.0001	€ 0.0001	€ 0.0001
Daily settlement time	17:30 CET	17:30 CET	17:30 CET	17:30 CET
Daily settlement underlying price	Closing Price	Closing Price	Closing Price	Closing Price
Last trading day	Trading ceases at 17:30 CET on the expiry day*	Trading ceases at 17:30 CET on the expiry day*	Trading ceases at 17:30 CET on the expiry day*	Trading ceases at 17:30 CET on the expiry day*
Exercise	Exercise is possible until 19:15 CET on any business day, extended to 19:45 CET on the third Friday of a month.	Exercise is possible until 19:15 CET on any business day, extended to 19:45 CET on the third Friday of a month.	Exercise is possible on the Last Trading Day only: until 19:15 CET on any business day, extended to 19:45 CET on the third Friday of a month.	Exercise is possible on the Last Trading Day only: until 19:15 CET on any business day, extended to 19:45 CET on the third Friday of a month.

**Attachment: Flexible Stock/ETF Options contract specifications (continued)**

	Flexible Individual Stock/ETF Options American Style - Physical Delivery	Flexible Individual Stock/ETF Options American Style - Cash Settlement	Flexible Individual Stock/ETF Options European Style - Physical Delivery	Flexible Individual Stock/ETF Options European Style - Cash Settlement
Settlement	Physical delivery of 100 shares (or other such number of shares as determined by the terms of the contract) through the settlement system of LCH.Clearnet SA.	Cash settlement based on the EDSP	Physical delivery of 100 shares (or other such number of shares as determined by the terms of the contract) through the settlement system of LCH.Clearnet SA.	Cash settlement based on the EDSP
Settlement day	Two business days after the exercise day	First business day after the exercise day	Two business days after the exercise day	First business day after the exercise day
Exchange Delivery Settlement Price (EDSP)		The domestic cash market closing price of the underlying shares on the day of exercise		The domestic cash market closing price of the underlying shares on the day of exercise
EDSP tick size		€ 0.0001		€ 0.0001
EDSP time		17:30 CET		17:30 CET
EDSP method		Official Closing Price		Official Closing Price
Option premium	Payable in full by the buyer on the business day following a transaction	Payable in full by the buyer on the business day following a transaction	Payable in full by the buyer on the business day following a transaction	Payable in full by the buyer on the business day following a transaction
Clearing organization	LCH.Clearnet S.A.	LCH.Clearnet S.A.	LCH.Clearnet S.A.	LCH.Clearnet S.A.
Trading hours	09:00 - 18:30 CET	09:00 - 18:30 CET	09:00 - 18:30 CET	09:00 - 18:30 CET

\* Until further notice the expiry day will be the third Friday of the expiry month.