

## EURONEXT DERIVATIVES NOTICE

Amsterdam Market

No. NO170421DE

Issue Date:

21 April 2017

Effective Date:

28 April 2017

### INTRODUCTION OF EUROPEAN STYLE INDIVIDUAL EQUITY OPTIONS

#### Executive Summary

This notice informs Members of the introduction of European style Individual Equity options and invites Members to apply for Liquidity Provider roles.

#### 1. Introduction

1.1 Euronext intends to launch European style Individual Equity options on the Derivatives Market of Euronext Amsterdam. The contract specifications of the European style Individual Equity options are equal to the American style Individual Equity options except for the exercise possibilities; holders of long positions are only entitled to exercise their options on the expiration date. The contract specifications are shown in the attachment.

1.2 The launch of the European style Individual Equity options is planned for **28 April 2017**.

1.3 The following European style Individual Equity options will be listed:

	Name	ISIN code	option trading symbol
1	Koninklijke Ahold Delhaize	NL0011794037	AH9
2	Arcelor Mittal	LU0323134006	MT9
3	ASML Holding	NL0010273215	AS9
4	ING Groep	NL0011821202	IN9
5	Koninklijke Philips	NL0000009538	PH9
6	Royal Dutch (A-shares)	GB00B03MLX29	RD9
7	Unibail-Rodamco	FR0000124711	UB9
8	Unilever	NL0000009355	UN9

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

## **2. Liquidity Provider information**

- 2.1 All Members are eligible to apply for Liquidity Provider status.
- 2.2 Euronext will select up to six Primary Market Makers (PMMs) and ten Competitive Market Makers (CMMs) per option class on the basis of applications received from Members.
- 2.3 All PMM and CMM Non Target Group conditions as described in Euronext Info-Flash [IF151023DE\\_1](#), issued on 23 October 2015, will apply in full.
- 2.4 All European Style Individual Equity options will be included in a separate group for the LP's performance calculation purposes.
- 2.5 The maximum spreads and minimum size requirements for Liquidity Providers in European Style Individual Equity options will be equal to the spreads and size requirements for the American Style Individual Equity options with the same underlying value. The precise LP quoting requirements can be consulted on the [Euronext website](#).
- 2.6 Current Liquidity Providers in Amsterdam listed Individual Equity options wishing to apply for a Liquidity Provider role should complete the Derivatives Liquidity Provider **Update Form**.
- 2.7 Members who currently are not a Liquidity Provider in Amsterdam listed Individual Equity options and wishing to apply for a Liquidity Provider role should complete the Derivatives Liquidity Provider **Registration Form**.
- 2.8 The LP Update and LP Registration forms are available on the [Euronext website](#) and should be sent to the Global Analytics department via email ([LPEurope@euronext.com](mailto:LPEurope@euronext.com)) by no later than the close of business on **26 April 2017**. 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 **27 April 2017**.
- 2.9 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.
- 2.10 For the full Liquidity Provider programme specifications 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 Option classes.

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

Global Analytics

+31 (0)20 721 4258

[LPEurope@euronext.com](mailto:LPEurope@euronext.com)

EMS Derivatives desk

Telephone (calling from):

[EMSDerivatives@euronext.com](mailto:EMSDerivatives@euronext.com)

Belgium +32 2 620 0585

[www.euronext.com/services-support](http://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 European style Individual Equity Options are as follows:

Contract size	One option normally equals rights over 100 underlying shares
Trading unit	100
Pricing unit	1
Currency	Euro
Option price	Premium x trading unit
Tick size	<p>Central Order Book:                      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 the threshold of the American style option on the same underlying value.</p> <p>Large-in-Scale Facility: € 0.01 (€ 1 per contract)</p>
Option style	<p>European style                      Holders of long positions are only entitled to exercise their options <b>on</b> the expiration date.</p>
Wholesale services	Large-in-Scale Facility, AtomX (minimum order size 250 contracts)
Trading hours	<p>Central Order Book: 09:01 – 17:30 CET                      Large-in-Scale Facility: 07:00 – 18:30 CET</p>
Expiry months	<p>Initial lifetime: 1, 2, 3 monthly options                      Cycle: Every month                      Initial lifetime: 6, 9, 12 months quarterly options                      Cycle: March, June, September, December                      Initial lifetime: 18 months half yearly options                      Cycle: June, December</p>
Last trading day	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.
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 S.A.
Clearing organization	LCH S.A.