

## AMSTERDAM NOTICE NO. 14/05

Issue Date: 23 June 2014

Effective Date: 11 July 2014

### LAUNCH SEGMENT FOR SPOTLIGHT OPTIONS WITH A LIFETIME UP TO THREE MONTHS

#### Executive Summary

This notice informs Members of the launch of a new option segment for options with a lifetime up to three months. The launch date is 11 July 2014

#### 1. Introduction

- 1.1 On 11 July 2014 Euronext intends to create a new options segment dedicated to options with a short maturity. The options on this new segment will be called "Spotlight Options". The Spotlight Options will have an initial lifetime of 1, 2 and 3 months.
- 1.2 In a first phase Euronext intends to launch options on Euronext listed small and mid-sized companies. The contract specifications are equal to the already listed Individual Equity Options, only the maximum lifetime of the expiry months ranges up to three months. The full contract specifications are set out in attachment 1. The list of underlying values at the launch of the segment is shown in attachment 2.
- 1.3 Based on the evolution of trading activity Euronext can decide to promote a Spotlight Option to the standard Individual Equity Option segment. This will imply that expiry months with a longer lifetime will be added and the standard trading fees will be applied. These changes will be communicated to all Members via an Amsterdam Notice.

#### 2. Liquidity Provider information

- 2.1 For the full Liquidity Provider programme specifications including obligations and benefits please refer to the Liquidity Provider Programme Info-Flash which is available on the Euronext website: <https://derivatives.euronext.com/elps> (under the Amsterdam heading).
- 2.2 All Members are eligible to apply for Liquidity Provider status. Members wishing to apply for a Liquidity Provider role should complete the Continental Derivatives Liquidity Provider Registration Form as explained in the Info-Flash.

#### 3. Broker incentive scheme

- 3.1 Brokers are invited to become a sponsoring broker for the Spotlight Options. Sponsoring brokers have to show a best effort to promote the Spotlight Options segment. Those brokers that have been validated by the exchange to become a sponsoring broker are eligible for a 50% rebate on the exchange trading fee for the trades booked on the Client account per TMF code. There will be no rebate on the clearing fee.

3.2 The below list provides a non-exhaustive overview of possible supporting initiatives to increase the visibility of the Spotlight Options:

- Provide information and educational content on the Spotlight Options via their website;
- Organize joint educational webinars/workshops on characteristics and usage of Spotlight Options;
- Educational articles in newsletters.

3.3 Members that want to become a sponsoring broker should contact their Account Manager.

#### 4. Trading fees

4.1 The trading fees for Spotlight Options are as follows:

Trading fee per lot <sup>1</sup>	Broker (Client account) <sup>2</sup>	Member (Own account) <sup>3</sup>	Liquidity Provider <sup>3</sup>
Central Order Book	€ 0.40	€ 0.05	€ 0.00
Maximum fee per order	€ 200	€ 200	€ 200
Prof Transactions	€ 0.40	€ 0.05	€ 0.05
Maximum fee per order	€ 200	€ 200	€ 200

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

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Amsterdam

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<sup>1</sup> The standard trading fee for Individual Equity Options will be charged.

<sup>2</sup> A 50% rebate is applied to sponsoring brokers. The sponsoring broker rebate will be settled biannually.

<sup>3</sup> For Member (Own account) and Liquidity Provider trades, the difference between the standard Individual Equity Options trading fee and the Spotlight Options trading fee shown in the table will be settled biannually. The final exchange trading fees for Liquidity Providers depend on the performance of the Liquidity Provider as described in the Liquidity Provider Programme.

Attachment 1

**The contract specifications for Spotlight Options are as follows:**

Contract size	One option normally equals rights over 100 underlying shares <sup>4</sup>
Trading unit	100
Pricing unit/quotation	Euros per share
Currency	Euro
Option price	Premium x trading unit
Minimum price move	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 set at € 0.50
Trading hours	Central Order Book 09:01 – 17:30 CET Prof Transaction Facility 07:00 – 18:30 CET
Option style	American
Expiry months	Initial lifetime: 1, 2 and 3 monthly options Cycle: Every month
Introduction of new expiry months	New delivery months are available for trading on the first business day after the expiry of a maturity
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.
Settlement	Delivery of 100 shares through the settlement system of LCH.Clearnet S.A.
Clearing organization	LCH.Clearnet S.A.
Wholesale services	Prof transaction (threshold 250 contracts)

<sup>4</sup> New option classes with a non-standard contract size may be listed as a result of corporate actions.

## Attachment 2

List of Spotlight Options to be listed on the Amsterdam market.

	Trading symbol	Company Name	ISIN code	Market
1	TMG	Telegraaf Media Groep NV	NL0000386605	Amsterdam
2	SLG	Sligro Food Group NV	NL0000817179	Amsterdam
3	EXT	Exact Holding NV	NL0000350361	Amsterdam
4	ACC	Accell Group NV	NL0009767532	Amsterdam
5	ALT	Altice SA	LU1014539529	Amsterdam
6	BES	BE Semiconductor Industries NV	NL0000339760	Amsterdam
7	KAS	Kas bank NV	NL0000362648	Amsterdam