

## BRUSSELS NOTICE NO. BRU14/11

Issue Date: 23 September 2014

Effective Date: 17 October 2014

### INTRODUCTION OF SPOTLIGHT OPTIONS ON MELEXIS AND SPECIFICATIONS OF THE SPOTLIGHT OPTION CONTRACTS

#### Executive Summary

This notice informs Members of the introduction of a new spotlight option class on Melexis company shares (BE0165385973) as of 17 October 2014 and invites Members to apply for Liquidity Provider roles.

#### 1. Introduction

- 1.1 Euronext will launch spotlight options on Melexis company shares (option trading symbol: MEL) on the Derivatives Market of Euronext Brussels on **17 October 2014** (see attachment for contract specifications).
- 1.2 Execution of Spotlight Options on Melexis company shares via the Prof Trade Facility will be available.

#### 2. Liquidity Provider information

- 2.1 Following [Info-Flash No. IF140623DE 3](#), issued on 23 June 2014, Euronext will select up to three Primary Market Makers (PMMs) and six Competitive Market Makers (CMMs) for the spotlight option class MEL on the basis of applications received from Members.

Members are informed that the Maximum Bid/Offer Spread for Spotlight Option class MEL will be as follows:

Term:	Bid price (€):								Minimum size
	0.00-0.50	0.51-2.50	2.51-5.00	5.01-10.00	10.01-20.00	20.01-30.00	30.01-40.00	>40.00	
=< 12 months	Maximum spreads (€)								2
	0.25	0.40	0.50	1.00	1.50	2.00	4.00	5.00	

- 2.2 All Members are eligible to apply for PMM or CMM status.
- 2.3 Current Liquidity Providers in Individual Equity Options listed on the Euronext Brussels Derivatives 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 Belgian Individual Equity Options and wishing to apply for a Liquidity Provider role in Melexis should complete the Derivatives Liquidity Provider [Registration Form](#).
- 2.5 Both the Update and Registration Forms are available on the Euronext website: <https://derivatives.euronext.com/elps> (under the Stock Options and Brussels headings) 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 **14 October 2014**. Also, the applicant should provide two hard copies of the relevant completed form to Euronext for the attention of Global Analytics, 39 Rue Cambon, 75001 Paris, France to be received no later than **midday on 16 October 2014**.
- 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 the Exchange. The Agreement will consist of the Terms and Conditions as published on the Euronext website at <https://derivatives.euronext.com/elps> (under the Stock Options and Brussels heading), 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 the Exchange.
- 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, the Exchange 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; and
  - 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 Brussels Info Flash No. [IF140623DE 3](#) and Info Flash No. [IF140623DE 4](#) which is available on the Euronext website: <https://derivatives.euronext.com/elps> (under the Stock Options and Brussels heading in the spotlight option section).

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

Global Analytics

+31 (0)20 550 5110

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

Attachment

**The contract specifications for Melexis share options are as follows:**

Underlying instrument	Melexis (ISIN BE0165385973)
Exchange contract code	MEL
Contract size	100 shares
Trading unit	100
Pricing unit	1
Currency	Euro
Option price	Premium x trading unit
Minimum price move	If the premium of an order at 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
Last day of trading	Trading ceases at 17:30 CET on the third Friday of each expiry month, provided this is a business day. If not, the last day of trading shall be the last business day preceding the third Friday in the expiry month.
Settlement	Delivery of 100 shares through the settlement system of LCH.Clearnet S.A.
Clearing organization	LCH.Clearnet S.A.
SPAN margin parameters	As determined by LCH.Clearnet S.A.