

## EURONEXT DERIVATIVES NOTICE

Amsterdam Market

No. NO150121DE1

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5 February 2015

### INTRODUCTION OF SINGLE STOCK DIVIDEND FUTURES

#### Executive Summary

This Notice informs Members of the introduction of Single Stock Dividend Futures on the Amsterdam Derivatives Markets on 5 February 2015.

#### 1. Introduction

- 1.1 Euronext intends to launch Single Stock Dividend Futures (SSDF) on the Amsterdam Derivatives Markets. Initially, 20 SSDFs will be listed on the Amsterdam market on 5 February 2015. The introduction of additional SSDFs will be announced by Notice in due course. An SSDF is a future on the cumulative value of ordinary gross cash dividends declared by the relevant company over a one-year period. The period starts on the day following the third Friday in December and ends on the third Friday in December (the expiry date) one year later.
- 1.2 The underlying value of an SSDF is the dividend payments in relation to a contract size of 10,000 shares. The tick size is € 0.0001 (€ 1 per contract) and open positions remaining after the last day of trading will lead to cash settlement. The full contract specifications are set out in attachment 1. The list of underlying values is shown in attachment 2.

#### 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>.
- 2.2 All Members are eligible to apply for a Liquidity Provider status. Members wishing to apply for a Liquidity Provider role should complete the Liquidity Provider Registration Form as explained in the Info-Flash.

### 3. Dividend rules

- 3.1 For the purpose of determination of the final settlement value (EDSP), the declared ordinary dividends are taken into account if their ex-date falls on or between the start and end date of the reference period of the relevant expiry. The dividend amount taken into account will be the amount as declared by the issuer without an adjustment for withholding taxes, tax credits or tax repayments.
- 3.2 Dividends that are declared special or extraordinary by the issuer are normally excluded.
- 3.3 If a dividend is distributed in the form of shares only and if this is regarded as ordinary dividend, the cash equivalent is taken into account. If no cash value is declared by the issuer, the cash value will be determined based on the official closing price of the share on the relevant cash market on the cum-day (the business day prior to the ex-dividend date).
- 3.4 If shareholders may choose between cash or shares, the cash option is chosen.
- 3.5 A dividend future refers to a dividend that is paid in the same currency as the trading currency of the dividend future. If a dividend is declared in another currency than the futures contract currency, the published equivalent amount in the futures contract currency will be used if investors have the option to be paid in that currency and if this amount is available on or before the ex-date (for clarification, the published equivalent amount should not be a converted value that is shown for informational purposes). If the dividend amount is only available in currencies that deviate from the futures contract currency, the dividend amount will be converted using the reference rate for the cum-day (the business day prior to the ex-date). In principle the reference rate will be based on the foreign exchange reference rates as published daily by the ECB.
- 3.6 For cases not covered by these rules, Euronext will determine an appropriate adjustment or repayment to be made.

### 4. Fees

- 4.1 The standard trading and clearing fees per contract are as follows:

Futures price	Central Order Book		Block trades and guaranteed cross	
	Broker (Client account) and Member (Own account) <sup>1</sup>	Liquidity Provider <sup>2</sup>	Broker (Client account) and Member (Own account) <sup>1</sup>	Liquidity Provider <sup>2</sup>
< 0.50	€ 1.00	€ 0.50	€ 1.50	€ 0.75
0.50 – 0.99	€ 4.00	€ 2.00	€ 6.00	€ 3.00
≥ 1.00	€ 6.00	€ 3.00	€ 9.00	€ 4.50

### 5. Corporate Actions

- 5.1 Relevant Corporate Actions will be processed according to the procedures that are applicable to the equivalent equity option or single stock futures listed on Euronext.

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

<sup>1</sup> The clearing fee is €0.50 per contract.

<sup>2</sup> The clearing fee is €0.30 per contract.

Attachment 1

**The contract specifications for Single Stock Dividend Futures are as follows:**

Contract size	Dividend payments in relation to a contract size of 10,000 shares
Unit of trading	10,000
Pricing unit/quotation	Euro per share US Dollar per share
Minimum price movement (tick size and value)	EUR 0.0001 (EUR 1.00 per contract) USD 0.0001 (USD 1.00 per contract)
Expiry months	12, 24, 36, 48 and 60 months yearly (of the December cycle)
Introduction of new expiry months	New expiry months are available for trading on the first business day after the expiry of a maturity
Wholesale services	Prof trading (minimum size 1 contract)
Trading hours	Central Order Book 09:00 – 17:30 CET Prof Trade Facility 07:00 – 18:30 CET
Trading platform	UTP
Algorithm	Central order book applies a price-time trading algorithm with priority given to the first order at the best price
Last trading day	Trading ceases at 12:00 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	Cash settlement based on the EDSP
Settlement day	First business day after the day on which the EDSP is published
Exchange Delivery Settlement Price (EDSP)	The final settlement value as established by Euronext at 12:00 (CET) on the third Friday of the expiry month, determined to four decimal places. The final settlement value is equal to the cumulative value of ordinary dividends declared by the relevant company without an adjustment for withholding taxes, tax credits or tax repayments. Declared ordinary dividends are taken into account if their ex-date falls on or between, the start and end date of the one-year reference period of the relevant expiry. The reference period starts on the day following the third Friday in December and ends on the third Friday in December (the expiry date) one year later.
Clearing organization	LCH.Clearnet S.A.

Attachment 2 - List of Single Stock Dividend Futures to be listed on the Amsterdam market.

	Trading symbol	Name	ISIN code shares	SSDF trading currency
1	AE8	Aegon	NL0000303709	EUR
2	AH8	Ahold, Koninklijke	NL0010672325	EUR
3	AK8	Akzo Nobel	NL0000009132	EUR
4	MT8	ArcelorMittal	LU0323134006	EUR
5	AS8	ASML Holding	NL0010273215	EUR
6	BO8	Boskalis Westminster, Koninklijke	NL0000852580	EUR
7	DL8	Delta Lloyd	NL0009294552	EUR
8	DS8	DSM, Koninklijke	NL0000009827	EUR
9	FU8	Fugro	NL0000352565	EUR
10	GM8	Gemalto	NL0000400653	EUR
11	HE8	Heineken	NL0000009165	EUR
12	KP8	KPN, Koninklijke	NL0000009082	EUR
13	PH8	Philips, Koninklijke	NL0000009538	EUR
14	RA8	Randstad Holding	NL0000379121	EUR
15	RE8	Reed Elsevier	NL0006144495	EUR
16	RD8	Royal Dutch Shell A	GB00B03MLX29	EUR
17	TN8	TNT Express	NL0009739424	EUR
18	UB8	Unibail-Rodamco	FR0000124711	EUR
19	UN8	Unilever	NL0000009355	EUR
20	WK8	Wolters Kluwer	NL0000395903	EUR