

EURONEXT DERIVATIVES NOTICE

Amsterdam Market

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21 January 2016

CANCELLATION OF RULES IN RELATION TO CALL OPTION DIVIDEND TRADING

Executive Summary

This Notice informs Members of the cancellation of rules in relation to call option dividend trading.

1. Background

- 1.1 Since 2005, Euronext has put in place a set of rules in relation to call option dividend trading, a type of arbitrage trading in call options with underlying shares that will be traded ex-dividend within a certain period of time. The current rules are set out in Amsterdam Notice [AN12/028](#).
- 1.2 The AFM has recently indicated in an interpretation that certain call option dividend trades are regarded by them as so called “wash trades” and hence potentially constitute an offense of the rules on market manipulation as set out in art. 5:58 (1) of the Dutch Act on Financial Supervision (see: <https://www.afm.nl/nl-nl/professionals/onderwerpen/interpretaties-marktmanipulatie>).

2. Cancellation of rules

- 2.1 Based on the interpretation of the AFM, recent monitoring results and market practice, Euronext has decided to cancel the rules in relation to call option dividend trading with immediate effect and Amsterdam Notice [AN12/028](#) is hereby revoked.
- 2.2 Euronext will continue to monitor for trades that may be “wash trades” as described by the AFM. Investigation of such trades may lead to suspicious trade reports (STR) to the AFM
- 2.3 Euronext would like to emphasize that all trading on the Euronext derivatives markets remains subject to all applicable rules and regulations.

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

[EMS Corporate Actions](#)

+31 (0) 20 721 9588

Web: [Corporate Actions](#)