EURONEXT DERIVATIVES NOTICE

Amsterdam Market	No. NO160408DE
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INTRODUCTION OF WEEKLY OPTION CLASSES ON ETFS

Executive Summary

Euronext will add weekly option classes on ETFs on the Amsterdam derivatives market and invites Members to apply for Liquidity Provider roles. The new weekly option classes will be available for trading as from Friday 22 April 2016.

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1. Introduction

1.1 Euronext Amsterdam will introduce weekly option classes with an initial lifetime of two weeks on 6 ETFs as from 22 April 2016. The weekly options will have the same standard contract specifications as the existing ETF Options, they have the same Large in Scale minimum volume thresholds and also the Price Pro Rata trading algorithm is applied to central order book trades; the only difference is their lifetime.

1.2 Four separate option classes will be introduced. Each class will have a fixed last day of trading, this is either the first Friday of the month, the second Friday of the month, the fourth Friday of the month or, when applicable, the fifth Friday of the month. The trading symbol of each weekly option class consists of a number and two letters. The number indicates which Friday of the month will be the last Trading Day. The trading symbols of the weekly options are shown below:

Option name	Option trading symbol				Underlying[1]	ISIN-code
	Last Trading Day					
	First Friday of the month	Second Friday of the month	Fourth Friday of the month	Fifth Friday of the month		
EUE Weekly Option	1EU	2EU	4EU	5EU	iShares EURO STOXX 50 UCITS ETF (Dist)	IE0008471009
IME Weekly Option	1IC	2IC	4IC	5IC	iShares MSCI Europe UCITS ETF (Dist)	IE00B1YZSC51
IEM Weekly Option	1IG	2IG	4IG	5IG	iShares MSCI Emerging Markets UCITS ETF (Dist)	IE00B0M63177
IJP Weekly Option	1IJ	2IJ	4IJ	5IJ	iShares MSCI Japan EUR Hedged UCITS ETF	IE00B42Z5J44
ISS Weekly Option	1IS	2IS	4IS	5IS	iShares S&P 500 UCITS ETF (Dist)	IE0031442068
IWR Weekly Option	1IW	2IW	4IW	5IW	iShares MSCI World UCITS ETF (Dist)	IE00B0M62Q58

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[1] The referential use of the name of the indices is necessary to indicate the underlying value and performance of the Financial Product. These indices may be registered as trademark by third parties. The Euronext Financial Products are not sponsored, endorsed, sold or promoted by those third parties.

1.3   Weekly options will be available for trading as from the Friday two weeks prior to expiry. As a result of this each Friday a weekly option class will expire, except for the third Friday of the month when the standard option contract expires.

2.   Start of trading

2.1   On Friday 22 April 2016 Euronext Amsterdam will make the 5EU, 5IC, 5IG, 5IJ, 5IS, 5IW (with expiry day 29 April 2016) and 1EU, 1IC, 1IG, 1IJ, 1IS, 1IW (with expiry day 6 May 2016) classes available for trading.

2.2   The contract specifications of the new weekly option classes are shown in the attachment.

3.   Liquidity Provider information

3.1   Liquidity Providers in the standard option classes, PMMs and CMMs, will be offered a PMM role in the weekly option classes with the same underlying value. CMM roles for the weekly option classes will not be available. Participation in the weekly option classes will not be mandatory.

3.2   All PMM conditions as described in Euronext Info-Flash IF151023DE_4, issued on 23 October 2015, will apply in full for the PMM role in weekly options on ETFs.

3.3   The spread and size obligations for Liquidity Providers in the weekly option classes will be equal to the spread and size obligations of the short-term option series of the standard option class with the same underlying value.

3.4   The following table shows the different performance bands as well as the effective per lot trading fees (in Eurocents) to be charged to LPs for both the standard and the weekly options on ETFs.

Amsterdam Liquidity Provider Trading Fees in Eurocents			
Monthly Performance Percentage (mp)		ETF options	
		Standard	Weekly
band 1	mp ≥ 85	5	5
band 2	70 ≤ mp < 85	%fee =0.467	%fee = 0.333
band 3	50 ≤ mp < 70	12	10
band 4	mp < 50	17	17
Maximum Trading fee per order		€ 200	

LPs will be charged daily a trading fee of € 0.05 per contract (with a maximum of € 200 per order) as a basis fee. After determining the final monthly performance score by the Exchange, LPs will be charged additionally if applicable. Please note trading fees do not include clearing fees and trading fee reductions are only applicable to central order book transactions executed/transacted by the LP and booked on its T origin account at LCH.Clearnet SA. Furthermore, it is the Member's sole responsibility to correctly allocate its business. Euronext will not be held liable for incorrect allocation by a Member.

3.5   All weekly option classes on ETFs will be included in the new Non-standard ETF Options Group for performance calculation purposes.

3.6   The individual LP's performance score for weekly options on ETFs will be calculated as follows. For each trading symbol (e.g. 1EU) a daily performance will be calculated. For business days during which multiple weekly options on the same underlying value are traded the daily performance of those products will be averaged to determine one daily performance result per underlying value. The two lowest daily performance results per underlying value will be excluded from the monthly performance calculations. Once the lowest two daily results per underlying value are excluded the remaining daily results per trading symbol within the specific calendar month will be averaged into one final monthly performance result per underlying value.

3.7   The final monthly group performance score, which will be used to determine the final fees to be paid by the relevant LP, is equal to the average of the monthly performance scores per underlying value. This will be the final ETF Weekly Options Group performance result.

3.8   Liquidity Providers wishing to apply for a Liquidity Provider role in the weekly option classes should complete the Derivatives Liquidity Provider **Update Form**.

3.9   The Update Form is available on the Euronext website and should be sent to the Global Analytics department via email (LPEurope@euronext.com) by no later than the close of business on **19 April 2016**. 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 **21 April 2016**.

3.10   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.

3.11   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, Euronext 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.
        ■ To terminate the Agreement by notice to the parties with immediate effect.

3.12   For the full Liquidity Provider programme specifications please refer to the programme documents which are available on the Euronext website.

3.13   Liquidity Providers with a role in a certain class will also be charged the Liquidity Provider exchange trading fee for weekly option classes with the same underlying value, even if the member has no Liquidity Provider role in those weekly option classes.

4. Price Limits

4.1   Price Limits for each weekly option will be equal to the Price Limits in the standard option class with the same underlying value.

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

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Attachment: CONTRACT SPECIFICATIONS FOR WEEKLY OPTIONS ON ETFs:

Trading symbol	1**
Contract size	100 shares
Trading unit	100
Pricing unit	1
Currency	Euro
Option price	Premium x trading unit
Minimum price movement	€ 0.01
Wholesale services	Large-in-Scale Facility
Trading hours	Central Order Book 09:06 – 17:30 CET Large-in-Scale Facility 07:00 – 18:30 CET
Option style	American
Lifetime	From the penultimate Friday of the month until the first Friday of the next month. Should one of these Fridays not be a (full) business day, this day shall be replaced by the last (full) business day preceding this Friday.
Last day of trading	Trading ceases at 17:30 CET on the first Friday of the month. In the event that this day is not a (full) business day, the last day of trading shall normally be the last (full) business day preceding the first Friday of the month. In the event that this preceding business day falls within the preceding month, this weekly option will be part of the preceding month. The trading symbol of this Weekly option class will get the next week number following the week number of the last Weekly option class. The Weekly option class with number 1 will be cancelled.
Settlement	Physical delivery of 100 shares through the settlement system of LCH.Clearnet S.A.
Trading algorithm	Central order book applies a Price Pro Rata trading algorithm. With this algorithm priority is given to orders at the best price (highest for a bid, lowest for an offer). If there are several orders at this best price, equal priority is given to every order at this price and incoming business is divided among these orders in proportion to their volume.
Clearing organization	LCH.Clearnet S.A.

Trading symbol	2**
Contract size	100 shares
Trading unit	100
Pricing unit	1
Currency	Euro
Option price	Premium x trading unit
Minimum price movement	€ 0.01
Wholesale services	Large-in-Scale Facility
Trading hours	Central Order Book 09:06 – 17:30 CET Large-in-Scale Facility 07:00 – 18:30 CET
Option style	American
Lifetime	From the last Friday of the month until the second Friday of the next month. Should one of these Fridays not be a (full) business day, this day shall be replaced by the last (full) business day preceding this Friday.
Last day of trading	Trading ceases at 17:30 CET on the second Friday of the month. In the event that this day is not a (full) business day, the last day of trading shall normally be the last (full) business day preceding the second Friday of the month.
Settlement	Physical delivery of 100 shares through the settlement system of LCH.Clearnet S.A.
Trading algorithm	Central order book applies a Price Pro Rata trading algorithm. With this algorithm priority is given to orders at the best price (highest for a bid, lowest for an offer). If there are several orders at this best price, equal priority is given to every order at this price and incoming business is divided among these orders in proportion to their volume.
Clearing organization	LCH.Clearnet S.A.

Trading symbol	4**
Contract size	100 shares
Trading unit	100
Pricing unit	1
Currency	Euro
Option price	Premium x trading unit
Minimum price movement	€ 0.01
Wholesale services	Large-in-Scale Facility
Trading hours	Central Order Book 09:06 – 17:30 CET Large-in-Scale Facility 07:00 – 18:30 CET
Option style	American
Lifetime	From the second Friday of the month until the fourth Friday of the month. Should one of these Fridays not be a (full) business day, this day shall be replaced by the last (full) business day preceding this Friday.
Last day of trading	Trading ceases at 17:30 CET on the fourth Friday of the month. In the event that this day is not a (full) business day, the last day of trading shall normally be the last (full) business day preceding the fourth Friday of the month.
Settlement	Physical delivery of 100 shares through the settlement system of LCH.Clearnet S.A.
Trading algorithm	Central order book applies a Price Pro Rata trading algorithm. With this algorithm priority is given to orders at the best price (highest for a bid, lowest for an offer). If there are several orders at this best price, equal priority is given to every order at this price and incoming business is divided among these orders in proportion to their volume.
Clearing organization	LCH.Clearnet S.A.

Trading symbol	5**
Contract size	100 shares
Trading unit	100
Pricing unit	1
Currency	Euro
Option price	Premium x trading unit
Minimum price movement	€ 0.01
Wholesale services	Large-in-Scale Facility
Trading hours	Central Order Book 09:06 – 17:30 CET Large-in-Scale Facility 07:00 – 18:30 CET
Option style	American
Lifetime	From the third Friday of the month until the fifth Friday of the month. Should one of these Fridays not be a (full) business day, this day shall be replaced by the last (full) business day preceding this Friday.
Last day of trading	Trading ceases at 17:30 CET on the fifth Friday of the month. In the event that this day is not a (full) business day, the last day of trading shall normally be the last (full) business day preceding the fifth Friday of the month.
Settlement	Physical delivery of 100 shares through the settlement system of LCH.Clearnet S.A.
Trading algorithm	Central order book applies a Price Pro Rata trading algorithm. With this algorithm priority is given to orders at the best price (highest for a bid, lowest for an offer). If there are several orders at this best price, equal priority is given to every order at this price and incoming business is divided among these orders in proportion to their volume.
Clearing organization	LCH.Clearnet S.A.