

March 17, 2014

Exchange Notice

Derivatives – Product Information 25/14

Weekly options on Swedish shares available in external test systems

NASDAQ OMX Derivatives Markets intends to introduce weekly options on Swedish shares, and the product is now available for member testing in external test systems 1 and 3. This Exchange Notice contains a product specification. A separate IT Notice will be sent with further technical specifications and information about testing.

A tentative launch date for introduction of weekly options on Swedish shares in production is Monday April 14th. The introduction date will be confirmed and communicated in a separate Exchange Notice shortly.

Product Specification

Underlying shares:	ABB, AZN, ERICB, HMB, LUPE, NDA, NOKIA (SEK), SWEDA, SEBA, SHBA, SAND, TLSN, VOLVB (Final list of shares to be communicated shortly)
Contract term:	Four weeks (Series tradable from the Friday four weeks prior to expiration day)
Expiration day:	Expiration each Friday except third Friday of month. Expiration day must be a full trading day.
Type of option contract:	American-style option with delivery of shares at expiration
Currency:	SEK
Contract size:	100 shares (adjustments may occur)
Tick size:	Same as for Swedish stock options
Strike price intervals:	Same as for Swedish stock options
Number of strike prices:	At least 5 out-of-the-money, 1 ATM, 5 in-the-money
Exercise:	Exercise Orders must be received by the Clearing House no later than 120 minutes following the Final Time for Trading on each Bank Day up to the Expiration Day
Automatic exercise (“Standard exercise”):	Contracts at least 1% in-the-money will be automatically exercised upon expiration
Margining:	According to the clearinghouse’s current margining methodology

Trading and accessibility hours:	Trading hours electronic marketplace 09:00 – 17:25 CET on normal trading days Market place service (MPS) 08:00 – 18:00 CET
Client fees:	Transaction: 0.75% of premium value, min 1 and max 14 SEK per contract Exercise/assignment fee: 0.075% of exercise amount, max 8000 SEK per position exercised Volume discount: Weekly options will be included in and covered by existing volume discount schemes for single stock options
Exceptions to expiration day:	If the expiration Friday is declared in advanced to be a half trading day or closed for trading, expiration will not occur on that Friday. In such cases, for 1st Friday weekly options the expiration will occur on the succeeding trading day (normally the following Monday), and for 2nd, 4th and 5th Friday weekly options, the expiration will be occur on the preceding trading day (normally the preceding Thursday).
Series designation:	The series designation starts with the number of the expiration Friday of the relevant expiration month, i.e. 1 for weeklies expiring on first Friday of the expiration month, 2 for second Friday, 4 for fourth Friday and 5 for fifth Friday when applicable.
Examples of series designation:	Example of weekly options on the Ericsson B share with expiry in July 2014, strike 75. 1 ERICB4G75: Expiration on 1st Friday of the month (4 July) 2 ERICB4G75: Expiration on 2nd Friday of the month (11 July) 4 ERICB4G75: Expiration on 4th Friday of the month (25 July)

For further information concerning this exchange notice please contact your NASDAQ OMX account manager, or Tomas Körberg, tomas.korberg@nasdaqomx.com or telephone +46 8 405 6883 or Håkan Walden, hakan.walden@nasdaqomx.com or telephone +46 8 405 7170.

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