

May 25, 2018

Exchange Notice

Derivatives – Product Information 74/18

Anticipated adjustment in TDC due to offer

As communicated in Exchange Notice 41/18, a consortium comprising PFA, PKA, ATP and Macquarie Infrastructure and Real Assets (DK Telekommunikation ApS) has announced a voluntary cash offer to acquire all outstanding shares in TDC A/S (TDC).

On April 9, 2018, DK Telekommunikation ApS announced that all conditions for completion of the offer have been fulfilled.

NASDAQ has approved the delisting application received from TDC. The last trading day in TDC share is June 4, 2018.

As stipulated in the Rules and Regulations of NASDAQ Derivatives Markets 3.5.3.7 the fair value adjustment shall be carried out in connection to the de-listing of the contract base, alternatively, when trading in the underlying share is considered insufficient to support related derivatives trading. The new expiration day has been set to May 28, 2018. NASDAQ Derivatives Markets will calculate the fair value for options, forwards and futures in TDC according to below.

Conditions	Cash offer, DKK 50.25 per share
Adjustment	New expiration day and settlement of fair value
New exercise and forward/future price	Unchanged exercise and forward/future price
New contract size	Unchanged contract size
New expiration day	May 28, 2018
Variables used in Fair Value Method	
Historic volatility	0,1476
Interest rate	Applicable CIBOR rate on the day of re-calculation
Underlying share price	VWAP ¹ on the new expiration day
Time to expiration	Number of days between the new expiration day and the original expiration day
Date for calculation of Fair Value	After 19.30 (CET), May 28, 2018
Rules and Regulations of NASDAQ Derivatives Markets	3.5.3.7 and Appendix 5



¹ VWAP = volume weighted average price

Following an adjustment, an ordinary expiration procedure shall be performed on the new expiration day and, in addition, there will be a cash settlement of the difference between the contracts theoretical value (fair value) and intrinsic value.

Members are encouraged to ensure that clients are aware of the above-mentioned adjustment.

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NASDAQ Derivatives Markets

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