

Exchange Notice

IT 65/11

IT – INET Nordic – NASDAQ OMX Nordic introduces segments for Exchange Traded Notes as of May 23, 2011

NASDAQ OMX exchanges in Stockholm, Helsinki and Copenhagen will introduce new segments for Exchange Traded Notes (ETNs) to enhance NASDAQ OMX Nordic structured product offering.

Background

The current market segments for structured products are "Fund units", "Warrants" and "Certificates". Part of the instruments on the current Certificates segments are today perceived as Exchange Traded Notes. Therefore, new Exchange Traded Notes segments will be created and those instruments classified as ETNs will be transferred to the new segments. Certificates segments with certificate instruments remain in INET system.

ETN definition

An ETN is a debt obligation, note, issued by a bank. The ETN is similar to ETFs in their construction however the ETN are more flexible in how the assets are allocated, compared to a fund. An ETN mirrors the return of assets such as stocks, bonds, futures, commodities, currencies or similar products, or combinations thereof, and which may or may not try to replicate an index. They are open-ended or with maturities exceeding 5y and with a symmetric return. They are cash settled at expiration.

INET identifiers

Instrument Type and Instrument Subtype

ETNs use Instrument Type Warrants and subtype Certificates in INET Nordic system.

For Stockholm and Helsinki Exchange Traded Notes segments, existing segment numbers 158 and 157 will be used and renamed. For Copenhagen, a new segment will be created.

Market segments

Exchange / MIC	Segment name	Seq.no
NASDAQ OMX Stockholm / XSTO	OMX STO Exchange Traded Notes Name change!	158 ¹
ONASDAQ OMX Helsinki / XHEL	OMX HEL Exchange Traded Notes Name change!	157 ²
NASDAQ OMX Copenhagen / XCSE	OMX CPH Exchange Traded Notes	196 NEW!

¹ This segment has currently no active orderbooks.

² This segment is currently not active.

Turnover lists and List Populations

MIC	List name	ID	List population	ID
XSTO	Exchange Traded Notes SEK	124610 NEW!	ETNs Stockholm	123652 NEW!
XHEL	Exchange Traded Notes EUR	124611 NEW!	ETNs Helsinki	123653 NEW!
XCPH	Exchange Traded Notes DKK	124612 NEW!	ETNs Copenhagen	123654 NEW!

Order books to be transferred from current Certificates segments to new ETN segments are presented in the excel sheet attachment. Order book id's will be retained.

Market access

All exchange members who currently are connected to Certificates segments on respective exchanges will automatically have trading access to the Exchange Traded Notes segments as of May 23, 2011.

Retrieval of member private trade info

Members whose INET Drop filters currently include market segments where ETNs are traded will have their drop ports automatically updated by NASDAQ OMX to cover also the corresponding new segment(s).

Market model

ETN segments market model follows the market model of Certificates segments in respective exchanges. INET Nordic Market Model will be updated to reflect the new setup.

Clearing

Executed trades will be bilaterally cleared in local CSDs.

Time schedule

2011-04-27: Setup is available in external test system INET OTF/GCF4.

2011-05-23: Planned launch date in INET Nordic production system.

Questions and feed-back

For further information and feedback concerning this information, please contact Marja Hyttinen (marja.hyttinen@nasdaqomx.com) phone +358 9 6166 7272 or your Key Account Manager.

Best regards,
NASDAQ OMX Nordic