

## **AMSTERDAM NOTICE No. 10/010**

ISSUE DATE: 15 April 2010  
EFFECTIVE DATE: 03 May 2010

### **INTRODUCTION OF AEX DIVIDEND INDEX FUTURES CONTRACT**

#### **Executive Summary**

This Notice informs Members of the introduction of an AEX Dividend Index Futures Contract on LIFFE CONNECT<sup>®</sup> and provides the Contract Specification and associated information.

#### **1. Introduction**

- 1.1 This Notice informs Members that an AEX Dividend Index Futures Contract (“the Contract”) will be made available for trading in the LIFFE CONNECT<sup>®</sup> Central Order Book on and from Monday 03 May 2010.
- 1.2 This Notice provides Members with the following information with respect to the introduction of the Contract:
  - (a) background to the AEX Dividend Index;
  - (b) Contract Specifications;
  - (c) Business Days, trading hours and reporting hours;
  - (d) fees;

#### **2. AEX Dividend Index**

- 2.1 The Global Index Group of NYSE Euronext has created an AEX Dividend Index for the Exchange in accordance with their standard index calculation procedures and methodology which will be based on the cumulative value of ordinary gross cash dividends declared by the individual constituents of the AEX Index<sup>®</sup> over a one-year period. The period starts on the business day following the third Friday in December and ends on the third Friday in December one year later. The level of the AEX Dividend Index is expressed in terms of index points. The level of the dividend index will be rounded to two decimal places and is disseminated on a daily basis at 13:00 CET by the NYSE Euronext Global Index Group. Each year, on the third Friday in December after close of business, the index is reset to zero.

Web site: [www.nyx.com/liffe](http://www.nyx.com/liffe)

The **Euronext Derivatives Markets** comprise the markets for derivatives operated by Euronext Amsterdam, Euronext Brussels, Euronext Lisbon, Euronext Paris and LIFFE Administration and Management, referred to respectively as the Amsterdam, Brussels, Lisbon, Paris and London markets. Euronext is part of the NYSE Euronext group.

2.2 The Contract will enable investors to take a view on the value of the AEX Dividend Index over the aforementioned one-year period and will have a single delivery month in December. Amongst other things, the Contract will provide a means of hedging dividend exposure on AEX Index® Option positions.

2.3 Further details of the Index methodology and calculation procedures used in relation to the Index are publicly available and can be found on the NYSE Euronext website ([www.nyx.com/dividendindexfutures](http://www.nyx.com/dividendindexfutures)).

### 3. Contract Details

3.1 On and from Monday 03 May 2010, the Contract shall be made available on LIFFE CONNECT®.

3.2 The contract size is € 200 per index point. One delivery month (December) per year will be listed, with initial lifetimes up to five years. Open positions on the Last Trading Day are cash settled against the Exchange Delivery Settlement Price (“EDSP”). The EDSP is the Index figure published by the Global Index Group of NYSE Euronext on the third Friday of the delivery month, and rounded to three decimal places. For the avoidance of doubt, the EDSP will be based on the cumulative Index figure for the aforementioned one-year period, i.e. reflecting dividend declarations up to and including the third Friday of the delivery month. The Last Trading Day is the business day immediately preceding the third Friday of the delivery month.

3.3 Contract Specifications for the AEX Dividend index future is set out below:

<b>Underlying Index</b>	AEX Dividend Index
<b>Exchange contract code</b>	AXF
<b>Contract size/Unit of Trading</b>	Contract valued at € 200 per index point
<b>Delivery Months</b>	Initial lifetime: 12, 24, 36, 48, 60 month futures Cycle: December
<b>Quotation</b>	Index points
<b>Minimum price movement (tick size and value)</b>	0.01 index point/€2.00
<b>Currency</b>	Euro
<b>EDSP Tick Size</b>	0.001
<b>Last Trading Day</b>	Futures contracts can be traded until 18:15 (CET) on the <b>business day before</b> the third Friday of the delivery month. A new delivery month will be available for trading on the first trading day after the expiry of a maturity.
<b>Settlement</b>	Cash settlement based on the Exchange Delivery Settlement Price (“EDSP”)
<b>Exchange Delivery Settlement Price (EDSP)</b>	The Index figure on the third Friday of the delivery month, rounded to three decimal places.
<b>Settlement Day</b>	The market day following the day on which the EDSP is published
<b>Trading Hours</b>	08.00 – 18.15 hours (CET)
<b>NYSE Liffe market</b>	Amsterdam
<b>Trading Platform</b>	LIFFE CONNECT®
<b>Clearing</b>	LCH.Clearnet SA
<b>Reuters code (RIC) for Underlying Index</b>	.AEXDI
<b>Bloomberg code for Underlying index</b>	AEXDI Index <go>

4. **Business days, Trading Hours and Reporting Hours**

4.1 A list of market days for 2010 on which the Contract will not be available for trading is sent out via Amsterdam Notice 09/020.

4.2 Detailed session times for the trading of the Contract on LIFFE CONNECT<sup>®</sup> are as follows (all times are CET):

<b>Session Start</b>	<b>Pre-Open</b>	<b>Open</b>	<b>Settlement</b>	<b>Pre-Close</b>	<b>Close</b>	<b>Session Close</b>
06:30	07:00	08:00	17:35	18:13	18:15	22:30

4.3 Members may report transactions in the Contract to the Exchange via Prof Trading between 07:00 and 18:15 hours (CET).

5. **Fees**

5.1 Trading fees for central order book trades and Prof trades will be charged on a per lot, per side basis. These will be set at € 0.97 for client account and € 0.32 for house and MM account in respect of trades on LIFFE CONNECT<sup>®</sup>. No fee caps are applied.

For further information in relation to this Notice, Members should contact:

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