

10 June 2021

Notice – Adjustment of Positions Equity Derivatives Section

Borsa Italiana releases the following provisions to be effective subject to the communication of the conclusion of the procedures for the authorization by Friday morning, 11 June 2021.

To the attention of:	Members of Derivatives Sections
Priority:	Medium
Topic:	Capital Increase on ordinary shares AUTOGRILL: Impact on Stock Option and Stock Futures contracts (AGL)

Foreword

On Monday 14 June, 2021 the Capital Increase AUTOGRILL will be executed in Borsa Italiana, with impact on Options and Futures contracts, in the manner indicated in the Borsa Italiana's Notice n.20060, n.20078 and n.20079 dated 9 June 2021 and section B.3.1.6., of the CC&G Rules.

1. Adjustment of positions

At close of trading day of Friday 11 June 2021 and after the night batch, open positions will be adjusted as indicated below.

1.1 Options positions¹

- a) The strike prices will be multiply by the K coefficient diffused by Borsa Italiana, and then rounded to the fourth decimal:

$$\text{Strike Price Ex} = \text{Strike Price Cum} \times K;$$

- b) the number of underlying shares will be divided by the same K coefficient rounded to the unit:

$$\text{Underlying Shares (AGL} \rightarrow \text{AGL1)} = 500/K$$

1.2 Futures Positions

- a) The daily settlement prices of series will be multiplied by the K coefficient diffused by Borsa Italiana and then will be rounded to the fourth decimal:

$$\text{Price Ex} = \text{Price Cum} \times K.$$

- b) The number of underlying shares will be divided by the same K coefficient and then will be rounded to the unit:

$$\text{Underlying Shares (AGL} \rightarrow \text{AGL1)} = 500/K$$

The operations connected with the adjustment that must be made to back Office system of Members which replicate margins of CC&G are described in detail below.

2) Classification of Positions with physical delivery

Options and Futures positions will be identified in *Clearing reports* as indicated in the following table:

¹ Positions exercised and/or assigned up to Thursday 10 June 2021 will not be adjusted. Accordingly, the delivery obligation on these positions is still referred to a quantity of 500 Ordinary Shares *Cum* for the Options AGL

Up to the last cum trading day			Starting from the first ex trading day				
Description	Number of Underlying Shares	Class Symbol	Description	Number of Underlying Shares	Class Symbol	Class Group	Product Group
AUTOGRILL Ordinary Shares	500	AGL	AUTOGRILL Shares Adjusted	500 / K	AGL1	AGL	AGL
AUTOGRILL Ordinary	500	AGL E/A*	AUTOGRILL Shares Cum	500 cum	AGLA	AGLA	AGL
AUTOGRILL Stock futures cash	500	2AGL	AUTOGRILL Stock futures cash Adjusted	500 / K	2AGL1	AGL	AGL
*) Class dedicated only to options exercised or assigned up to 10 June 2021							
Series that will be generated			AUTOGRILL	500 EX	AGL	AGL	AGL
			AUTOGRILL Stock futures cash	500 EX	2AGL	AGL	AGL

3) Parameters purposes of margining

Class	Multiplier	Share	Margin Interval	Futures Straddle Margin	Minimum Margin	Short Option Adjustment
AGL	500 EX	EX	33.50%	-	0.094	
AGL1	500/K	RETT	33.50%	90	42	
AGLA	500	CUM	33.50%	100	47	20%
2AGL	500	EX	33.50%	100	47	20%
2AGL1	500	RETT	33.50%	100	47	

5) Deposit of shares to cover positions on “short” call Options and Futures

Each new deposit must be accompanied by an indication of the relative Class symbol in Monte Titoli transfer message.

Monte Titoli will carry out the appropriate adjustment on the share concerned by the adjustment according to its own timescales and procedures.

6) Differentials

The calculation of the differentials arising from the adjustment of options will be indicated in the report RP – MC10 and dated 11 June and available 14 June

The cash amount will be paid in the daily margin settlement on Tuesday 15 June and reports in the “Cash adjustments/Buy-in” of reports RP- MS11 e RP-MS12.

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The early exercise is suspended on Friday **11 June 2021**.