

23 December 2021

# **Notice – IDEM – DEMERGER OF CNH INDUSTRIAL: IMPACT ON STOCK FUTURES and STOCK OPTION CONTRACTS**

To the attention of:	<b>Member of Derivatives Sections</b>
Priority:	<b>Medium</b>
Topic:	<b>IDEM – DEMERGER OF CNH INDUSTRIAL: impact on Stock Futures and Stock Option contracts</b>

## **Foreword**

Dear Customers,

As of Monday January 3<sup>rd</sup> 2022, the demerger of CNH INDUSTRIAL with impacts on Stock Futures and Stock Option contracts "CNHI" will be effective.

Adjustment intervention states that each holder of CNH INDUSTRIAL common shares will receive one IVECO GROUP share for every five CNH INDUSTRIAL common shares held in the manner indicated in the Borsa Italiana Notices n. 37592, 37680, 37681 dated November 12<sup>th</sup> 2021, and section B.3.1.7 of the Euronext Clearing Rules.

## **1. Adjustment of Positions**

At close trading day of Thursday December 30<sup>th</sup> 2021 and after the night batch, open positions will be adjusted as indicated below:

### **1.1 Options positions:**

- a) Exercise prices will remain unchanged;
- b) The number of adjusted contracts with lot 500 (CNHI) will be equal to:  
500 CNH INDUSTRIAL shares + 100 IVECO GROUP shares;
- c) As from January 3<sup>rd</sup> 2022 the lot size of new series will be equal to 500 CNHI

### **1.2 Futures positions**

- a) The daily closing price will remain unchanged
- b) The number of adjusted contracts with lot 500 (CNHI) will be equal to:  
500 CNH INDUSTRIAL shares + 100 IVECO GROUP shares;
- c) As from January 3<sup>rd</sup> 2022 the lot size of new series will be equal to  
500 CNHI

Intervention that will need to be made in the Back Office systems by participants are described below.

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## 2. Classification of Positions and margins parameters

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

<b>Up to the last cum trading day (included)</b>			<b>Starting from the first ex trading day (included)</b>				
<b>Description</b>	<b>Number of Underlying Shares</b>	<b>Class Symbol</b>	<b>Description</b>	<b>Number of Underlying Shares</b>	<b>Class Symbol</b>	<b>Class Group</b>	<b>Product Group</b>
CNH INDUSTRIAL Ordinary Shares	500 ISIN: NL0010545661	CNHI	CNH INDUSTRIAL Adjusted Ordinary Shares	500 CNHI + 100 IVECO GROUP (IVG)	CNHI1	CNHI1	FI
CNH INDUSTRIAL Stock Futures cash	500 ISIN: NL0010545661	2CNHI	CNH INDUSTRIAL Stock Futures cash Adjusted	500 CNHI + 100 IVECO GROUP (IVG)	2CNHI	CNHI1	FI
CNH INDUSTRIAL European Options	500 ISIN: NL0010545661	3CNHI	CNH INDUSTRIAL European Options	500 CNHI + 100 IVECO GROUP (IVG)	3CNHI	CNHI1	FI
<b>Series that will be generated</b>			CNH INDUSTRIAL	500 Ex NL0010545661	CNHI 2CNHI 3CNHI	CNHI	FI

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### **3. Physical Delivery**

In case of exercise and/or assignment, anticipated or at the maturity, of Options or Futures with physical delivery as part of the following Classes CNHI1, 2CNHI1, 3CNHI1 (adjusted), mandatory delivery details are expressed in the first paragraph.

Countervalue to be cleared will be split between the two securities by assigning different strike price percentage (strike ratio) for CNHI and IVECO GROUP.

The strike ratio will be communicated on Monday January 3<sup>rd</sup>.

Early exercise is suspended on Thursday December 30<sup>th</sup> 2021.

For further information please contact:

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