

17 Nov 2023

Notice – Adjustment of Positions Equity Derivatives Section

To the attention of:	Members of Derivatives Sections
Priority:	Medium
Topic:	Capital Increase on ordinary shares CARREL INDUSTRIES (CRL): Impact on Stock Option contracts

Foreword

On Monday 20 November 2023 the capital increase will be executed in Borsa Italiana, with impact on Options contracts, in the manner indicated in the Borsa Italiana's Notice n. 43700 of 17 November 2023, n. 43658 of 16 November 2023, n. 43855 of 17 Novembre 2023 and section B.3.1.6., of the Euronext Clearing Rules.

1. Adjustment of positions

At close of trading day of Friday 17 November 2023 and after the night batch, open positions will be adjusted as indicated below.

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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:

$$\text{Underlying Shares (CRL} \rightarrow \text{CRL1)} = 100/K$$

The operations connected with the adjustment that must be made to Back Office system of Members which replicate margins of Euronext Clearing are described in detail below.

2) Classification of Positions with physical delivery

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

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
CARREL INDUSTRIES Ordinary Shares	100	CRL	CARREL INDUSTRIES Shares Adjusted	100/K	CRL1	CRL	CRL
CARREL INDUSTRIES Ordinary Shares	100	CRL E/A*	CARREL INDUSTRIES Shares Cum	100 cum	CRLA	CRLA	CRL
*) Class dedicated only to options exercised or assigned up to 17 November 2023							
Series that will be generated			CARREL INDUSTRIES	100 EX	CRL	CRL	CRL

¹ Positions exercised and/or assigned up to Friday 17 November 2023 will not be adjusted. Accordingly, the delivery obligation on these positions is still referred to a quantity of 100 Ordinary Shares *Cum* for the Options CRL.

4) Deposit of shares to cover positions on “short” call Options

Each new deposit must be accompanied by an indication of the relative Class symbol in Euronext Securities Milan transfer message.

Euronext Securities Milan will carry out the appropriate adjustment on the share concerned by the adjustment according to its own timescales and procedures.

5) Differentials

The calculation of the differentials arising from the adjustment of options will be indicated in the report RP – MC10 and dated 17 November and available 20 November 2023.

The cash amount will be paid in the daily margin settlement on Tuesday 21 November 2023 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 17 November 2023**.