

### IMPORTANT NOTICE

It is reminded that the options are financial instruments which are highly risky and that only informed investors should contemplate trading options. Before placing any order relating to options on Eurex the client will always be presumed to have become familiar with, understood and accepted all the clauses of the "ADDENDUM TO GENERAL TERMS AND CONDITIONS OF STRATEO RELATING TO THE TRADING OF OPTIONS", available on the Transaction Site, as well as the information contained in the documents to which this addendum refers especially the document: «General risk warning concerning financial instruments» and the transaction rules Eurex.

Practical specifications of Strateo service relating to the trading of options on Eurex, Transaction rules: Eurex

#### 1. Types of products that can be traded on the Strateo trading platform

The Strateo trading platform only allows the trading of options contracts; it cannot be used to trade futures contracts. There exist only monthly Eurex options.

#### 2. Opening hours

The Strateo trading system offers trading on different segments, with for each specific trading hours. You can find the different opening times at: [www.eurexchange.com](http://www.eurexchange.com).

#### 3. Types of options transactions

The Strateo trading system for the Eurex market allows «opening buy» transactions (order to purchase an options contract), and «closing sell» transactions (order to sell an options contract). The short selling transactions involving «opening sell» and «closing buy», i.e. the sale or issue of options by clients on Eurex is not permitted.

#### 4. Order transmission method

Client's orders to trade options contracts on these markets may only be transmitted by the Strateo electronic routing system, in accordance with the provisions of Strateo's general terms and conditions, which remain fully applicable to the trading of options.

#### 5. Features

Each option contract covers generally 100 underlying shares. However, the number of underlying assets can be adjusted due to certain events, the client should check the particularity of every serie. Thus can corporate actions (ex. stock splits, reverse splits, stock dividends, stock distributions and company mergers) result in an adjustment of the number of underlying shares, of the exercise price, or of both.

We particularly bring into focus article 70 "Financial information" of the General Terms and Conditions which stipulates that: " All such information is however supplied to the Bank by third parties, and in the case of some prices, by the markets or MTF concerned. The Client therefore expressly accepts that the Bank cannot guarantee the accuracy of this information and that it declines any liability for any loss resulting from either the erroneous character of the information (in particular regarding the execution of Operations on the basis of erroneous rates or the failure to execute Operations due to erroneous rates), or by the failure to transmit such information (and therefore in particular the loss of chances or opportunities)". Strateo also reminds that the client shall use the information in accordance with article 14.10 of the General Terms and Conditions: "The Client shall undertake to use the Bank's services in good faith, and shall recognise in particular, in this context, as specified in article 70, that the market prices and available prices are provided to the Bank by a third party."

On the Transaction Site all option quotes are by default 15 minutes delayed. It is recommended to have real-time quotes when trading in options. You may activate the Eurex options real-time quotes in the menu "Your preferences"/"Site Preferences"/"Quotes" on the Strateo Transaction Site.

#### 6. Types of orders

In the Strateo trading system, the options orders may only be expressed in two ways:

- «Day orders» : in this case, these may be executed until the last trading session on the date that they are transmitted by Strateo to the relevant market. If they are not executed within that period, they are automatically cancelled at the end of this session;
- «GTC» («Good-Till-Cancelled») orders: when the series of options covered by the GTC orders expire, these GTC orders are automatically cancelled upon expiration. However, the principal may at any time cancel a GTC order prior to the expiration of this period.

Stipulations concerning the execution price

In the Strateo transaction system, orders may be placed:

- «at the market price», i.e., without any price indication, to be executed at the best price immediately available, and provided that the entire order can be executed (all or none order).
- «at a limit price», i.e. at a maximum price indicated by the client in the case of a buy order, or at a minimum price indicated by the client in the case of a sell order.

Given the high volatility of options prices, market price orders are not recommended as they may be executed at prices that are far from those prevailing at the time that the orders are recorded. As a result, it is recommended that clients

use limit price orders.

The execution of an order is always conditional upon the existence of an adequate counterparty for partial execution (in the case of a limit price order) or total execution (in the case of a market price order).

Remarks:

1. an option acquired by a client may be sold at any time before its expiry. The exercise of options on client's initiative is not possible.
2. If a client sells an option largely 'out of the money', the client will be charged trading fees which cannot be superior to the sell price of its option.

#### 7. Exercise/Assignment of options prior to expiration

##### 7.1 Long position

Exercise by the client of (long position) options prior to the expiration thereof is not possible within the framework of the services offered by Strateo.

##### 7.2. Short position

The short selling transactions involving «opening sell» and «closing buy», i.e. the sale or issue of options by clients on Eurex is not permitted.

#### 8. Expiry: what to do on the expiration date of the options?

##### 8.1 Long position

Options contracts always have a fixed expiration date. The option must necessarily be sold or exercised at the latest on their it's expiration date, being understood that the exercise is only possible at the expiry.

During the week preceding the option's expiration date, Strateo will try, to the extent possible, to send an e-mail to the client informing him of his position in those of his options that are expiring. This e-mail does not exempt the client from verifying himself the situation of his options and their expiration date. Strateo may not be held responsible for the failure of receipt of such an e-mail by the client due to transmission problems of e-mails, the communication of an incorrect e-mail address by the client, the lack of communication of an e-mail address by the client, or to any other reason beyond the control of Strateo.

##### 1. Automatic sale or «auto-sell»

On the last transaction date for the series of options that are expiring, transactions in these options will be possible until the end of quotation, depending on the type of option. After this end of quotation, it will no longer be possible to sell the option, which will then become worthless.

Normally the options are sold automatically by Strateo, for the account of the client, the day of their expiry, i.e., on their last trading day. The client may however deactivate the «autosell» function in the «Auto-sell» window of its trading interface, in order to avoid this automatic sale. The attention of the client is drawn to the fact that the function «autosell» which is activated by default does not guarantee the sale of the options on their expiration date, the execution of the sale depending on the market conditions (market price, liquidity, etc.).

If the options cannot be sold within the framework of this automatic sell program, they will be automatically exercised at the expiry, if they are «in the money» and if the Stock Exchange has automatically exercised this option "in the money".

Expiring options which are in the client's portfolio on the last trading day at 2 p.m. and for which no sell order is in process will, to the extent possible, be offered for sale at the market price as of 2 p.m. on the last trading day.

Orders to sell (closing sell) or to purchase (opening buy) in the client's portfolio, registered by the market will remain the client's responsibility until the options in question have expired. As a result, the «auto-sell» function will only be operational on options for which the client does not have a pending sell order. The attention of the client is drawn to the fact that, if his sell orders cannot be executed before the expiry of the options concerned, these options will become worthless after their expiry, subject to the automatic exercise as provided for under point 2 hereunder, if the option is «in the money».

The deactivation of the function «auto-sell» by the client does not eliminate the possibility for the client to sell his options.

Important remark : Opening options after 14h00 CET on the expiration date is very risky. For an option purchased after the "auto-sell" cut-off of 14h00 CET on the expiration date, the auto-sell function will not be available. The customer is solely responsible for closing this option the same day before the market closes. Otherwise the option will expire without any value or will be automatically exercised (see point 2).

##### 2. Automatic exercise

If the function «auto-sell» has been deactivated by the client, or if the options

could not be sold in the framework of the «auto-sell» function, or still, if a sell order transmitted by the client could not be executed, the «in the money» options contracts will be automatically exercised at their expiry in accordance with the following specifications and only if the following conditions are fulfilled:

- For index options that are «in the money», exercise at expiry consists of a cash payment resulting from the difference between the value of the settlement index and the option's exercise price;
- For equity options that are «in the money», exercise at expiry consists of the purchase or sale of the underlying security at the price agreed in advance (exercise price) in the market in which this security is traded.

Automatic exercise only concerns options that are «in the money», for as little as one-hundredth of a EUR, USD or CHF (share options) or for one-hundredth of a point (index options), excluding trading expenses (commission, exercise and broker's fees, taxes).

Some options (see section 2.6.7 and Appendix B) listed on the Eurex website [https://www.eurexchange.com/blob/exchange-en/3138-136774/238416/47/data/contract\\_specifications\\_en.pdf\\_ab-24\\_07\\_2013.pdf](https://www.eurexchange.com/blob/exchange-en/3138-136774/238416/47/data/contract_specifications_en.pdf_ab-24_07_2013.pdf) have a different threshold.

Important: the clearing house can modify the threshold values or can add other symbols without any prior communication. The new threshold values or new symbols will be immediately applicable even without any prior notice.

Strictly «at par» or «out of the money» options are not exercised automatically. The client decides alone and under his own responsibility if he decides to sell these two types of options on the day of their expiry.

### 3. Provision required for the automatic exercise

Considering the afore-mentioned exercise specification for «in the money» index options, these options will be exercised, in accordance with the above specifications.

As mentioned above under point 2, an «in the money» equity option will be automatically exercised at expiration. In case of a call option, the provision on the trading account of the client will be adequate or sufficient if at expiration of the option in question the trading account of the client contains in cash the amount required for the purchase of the underlying equities at the agreed exercise price, increased by the applicable trading expenses (commission, broker's fees, taxes). In case of a put option, the provision on the trading account of the client will be adequate or sufficient if at expiration of the option in question the trading account of the client contains the underlying equities, as well as the sum of the applicable trading expenses (commission, broker's fees, taxes).

The aforementioned provision (in equities and/or cash) will, in case of automatic exercise, be blocked on the trading account of the client at the end of the trading session of the expiration date, until the exercise of the option has been effectively realised. The client may not dispose of these equities and/or cash during this blocking period.

If the client does not have sufficient cash in his trading account to pay the purchase and the costs, Strateo proceeds to the sell or a part or all the shares so that the trading account is no longer in debit. The attention of the client is drawn to the fact that the client takes the risk of an important loss depending on the market circumstances.

The attention of the clients is drawn to the fact that Strateo only offers the services described above and not necessarily all the services and operating processes mentioned in these Explanatory Notes. Subject to this provision, in case of contradiction between these Practical Specifications and the Eurex notes, Strateo's conditions shall prevail.

In any case, the service offered by Strateo and the execution of the client's orders on options remain submitted to the rules of the markets concerned, on which Strateo acts as an intermediary, on behalf of the client.

In case of lack of understanding of, or doubts regarding, these rules and operating processes, the client is invited to ask for further information to Strateo. In the event of a divergence between the different linguistic versions of the present Addendum, the French version shall prevail.

### 8.2 Short position

The short selling transactions involving «opening sell» and «closing buy», i.e. the sale or issue of options by clients on Eurex is not permitted.

## 9. Pricing

The tariffs applicable to the trading of options are mentioned in the brochure «Tarifs»

## 10. Remark

If you wish to use the revenue of a sell, you must take into account the value date of the generated cash.

Value dates per market:

Bonds	D+3
Canadian markets	D+3
Eurex	D+1
European options	D+1
Euronext (Brussels, Amsterdam, Paris)	D+3
Funds	D+3 (the value date is stipulated by the issuer)
London stock exchange	D+3
Madrid	D+3
Milan	D+3
OMX (Helsinki, Stockholm, Copenhagen)	D+3
Switzerland	D+3
US markets	D+3
US options	D+1
Xetra (Frankfurt)	D+2
Currency exchange	D+2

