

Stockholm, 29 November 2017

Dear all,

Notice regarding amendments to the Rules of Nasdaq Derivatives Markets

This is to inform you of upcoming amendments to the Exchange Rules and Clearing Rules of Nasdaq Derivatives Markets (the “**Exchange Rules**” and “**Clearing Rules**” and together the “**Rules**”).

This notice includes information about amendments made in relation to the implementation of the requirements under MiFID II with respect to indirect clearing, risk disclosure statements and certain clarifications made in the contract specifications.

The amendments made in relation to indirect clearing and the Commission Delegated Regulation (EU) 2017/2154 of 22 September 2017 supplementing Regulation EU No 600/2014 of the European Parliament and of the Council with regard to regulatory technical standards on indirect clearing arrangements and the Commission Delegated Regulation (EU) 2017/2155 of 22 September 2017 amending Delegated Regulation (EU) No 149/2013 with regard to regulatory technical standards on indirect clearing arrangements (“**Indirect Clearing RTSs**”) are made following the publication of the Indirect Clearing RTSs in the Official Journal on 21 November 2017.

The amendments presented herein may be subject to consultation with the Swedish Securities Dealers Association and Nasdaq members in accordance with the Rules as well as discussions with regulators. Defined terms have the meaning set out in the Rules.

Unless stated otherwise, amendments will come into effect on **2 January 2018**.

Please note that minor and editorial changes may not be mentioned herein but can be found in the full text versions which are provided separately.

Indirect Clearing

A new Section 2.2.B has been added to the Clearing Rules which sets out additional requirements with respect to indirect clearing. Clients and Customers of Clearing Members are permitted to facilitate Indirect Clearing Arrangements, provided that they are an authorized credit institution, investment firm or an equivalent third country credit institution or investment firm, and meet the requirements under the Indirect Clearing RTSs (to the extent applicable to the relevant Client and/or Customer).

A new Section 2.6.33 has been added to the Clearing Rules which implements the Indirect Clearing RTSs. At the request of a Clearing Member, the Clearing House shall open and maintain any of the following types of Indirect Clearing Accounts: Net Omnibus Segregated Account (NOSA), Gross Omnibus Segregated Account (GOSA) and Indirect Pledge Account.

The relevant Clearing Member shall ensure that the Indirect Clients' margin and positions are segregated on separate Indirect Clearing Accounts from the relevant Client's and Customer's margin and positions.

When the margin and positions of several Indirect Clients are held by the Clearing Member in a Gross Omnibus Segregated Account, the Clearing Member shall ensure that the Clearing House has all the necessary information to allow the Clearing House to identify the positions held for the account of each Indirect Client on a daily basis. The Clearing Member shall also provide information to the Clearing House with respect to Net Omnibus Segregated Account when requested to do so. Such requests may also include information with respect to Indirect Clients, Second Indirect Clients or Third Indirect Clients further down the chain, which the Clearing Member shall provide on a best effort basis.

Where the margin and positions of several Indirect Clients are held by the Clearing House in a Gross Omnibus Segregated Account, the Clearing House shall keep separate records of the positions of each Indirect Client, calculate the Margin Requirement in respect of each Indirect Client and collect the sum on a gross basis.

Where the margin and positions of several Indirect Clients are held by the Clearing House in a Gross Omnibus Segregated Account, the Clearing Member shall ensure that the positions of an Indirect Client do not offset the positions of another Indirect Client.

Defined terms

The Definitions have been updated with the following defined terms that are relevant in relation to an Indirect Clearing Arrangement: Gross Omnibus Segregated Account (GOSA), Indirect Clearing Account, Indirect Clearing Arrangement, Indirect Clearing RTs, Indirect Client, Longer Chains, Net Omnibus Segregated Account (NOSA), Second Indirect Client and Third Indirect Client.

Compliance and Supervision of the Clearing Rules

Section 1.7.7 of the Clearing Rules has been clarified such that the Clearing House shall be entitled to request information regarding participants' legal entity identifier (LEI) code. A provision (Section 1.7.7A) has also been included specifying that the Clearing House shall be entitled to request information with respect to Indirect Clearing Arrangements as further set out in Section 2.6.33.

Risk Disclosure Statements

Contract specifications 3.37, 3.38 and 3.41 covering repo contracts have been updated with a risk disclosure statement. The changes are effective as of 19 October 2017.

Direct Clearing

The second paragraph of Section 1.2.4 of the Clearing Rules has been clarified; the revised version provides that when a Direct Clearing Client acts on behalf of a Client, it shall have the same rights and obligations as a Direct Clearing Member under the Clearing Rules.

The transitional period in Section 1.1.3 of the Clearing Rules relating to the phase out of existing Direct Pledging Customers that are not able to make contributions to the Default Fund or the Loss Sharing Pool (where applicable) has been extended with three additional months.

Contract Specifications

Contract specifications 3.23, 3.27, 3.37, 3.38 and 3.41

It has been clarified in the definition of “Contract type” that the contract is a Fixed Income Contract.

Contract specifications 3.18, 3.19, 3.19A, 3.19B, 3.27, 3.32, 3.33, 3.34, 3.35, 3.36, 3.37, 3.38, 3.40, 3.41, 3.42, 3.43, 3.44, 3.67, 3.68, 3.69, 3.70, 3.71, 3.72, 3.73, 3.74, 3.75, 3.76 and 3.77

It has been clarified that the contracts should only be negotiated with professional clients as defined in Annex II of MiFID.

Contract specifications 3.18, 3.19, 3.23, 3.27, 3.67, 3.68, 3.71, 3.72, 3.73, 3.74, 3.75, and 3.77

In the definition “Listing of Series”, the listing procedures for each contract has been clarified.

Contract specifications 3.18, 3.19, 3.23, 3.27, 3.40, 3.67, 3.68, 3.71, 3.72, 3.74, 3.75 and 3.77

The definition “Final time for registration” has been updated in line with procedures introduced as a result of MiFID II. The procedures for each specific contract have been refined.

A new definition, “Final time for Reporting”, is introduced to clarify the times for opening hours (trading hours) and accessibility (accessibility hours).

Contract specifications 3.20 and 3.20A

The contract specifications have been removed since the contracts have reached final maturity.

End