

Document title

## **MARKET MAKER AND LIQUIDITY PROVIDER TRADING FEE GUIDE**

Summary purpose

Guide to fees charged for Market Maker and Liquidity Provider on the Euronext Cash Markets

Effective date

3 June 2019

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## 1. MAIN PRINCIPLES

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### 1.1 SUPPLEMENTARY DOCUMENTATION

This document supplements the [Trading Fee Guide for Euronext Cash Market Members](#). Section 1 of this document explains the general fee principles for Market Maker and Liquidity Provider orders and trades.

The list of trading groups and corresponding trading patterns are available in the appendix to the Euronext trading manual, which can be found online at: <https://www.euronext.com/fr/regulation/harmonised-rules>.

### 1.2 FEE PER PRODUCT TYPE

The trading fee scheme for Market Maker and Liquidity Provider activity is product oriented. There are different fee schemes in place covering:

- Equities
- Exchange Traded Products (ETPs)
- Investment Funds
- Structured Notes and Certificates
- Bonds

The five schemes are explained in sections 2-4 of this document.

### 1.3 ELIGIBILITY

Only Market Maker and Liquidity Providers may send Liquidity Provider (LP) orders to the system. These orders must be flagged with the caption 'Liquidity Provider' to be identified as Liquidity Provider orders.

A trade leg resulting from an LP order is identified as an LP trade. Only LP orders and trades benefit from the Market Maker Trading Fee Scheme detailed in section 2.

Orders sent by the Market Maker or the Liquidity Provider to the system but not flagged as LP orders are not charged under the Market Maker Trading Fee Scheme, but under the standard Euronext Cash Markets Trading Fee Structure.

### 1.4 PROCEDURE FOR OMISSION

The Market Maker and the Liquidity Provider is fully responsible for entering the correct settings in the system to identify orders as Market Makers / Liquidity Providers orders.

Market Makers and Liquidity Providers are exceptionally allowed to file for a Misflag request, thereby asking Euronext for a reimbursement of relevant trading fees. Such requests are however to be made exclusively on an exceptional basis and they must be duly evidenced. Any such request must follow the procedure below in order to be considered and processed by Euronext.

1. To notify Euronext of a misflag and any related request, the Market Maker or Liquidity Provider must send a Misflag Request Form with return receipt to its usual Euronext account manager. Templates of the Misflag Request Form to be used are available online at: <https://www.euronext.com/en/membership/liquidity-providers-and-market-makers>, or through the account manager.
2. The Misflag Request Form must be sent within two months of the relevant invoice date with all relevant information so as to allow Euronext to process it. Information provided shall in particular include details

(IT traces) of all orders sent via its trading systems during the relevant period to which the misflag request relates.

3. Without prejudice to the above, the Market Maker/ Liquidity Provider should be aware that misflags are considered infractions of the Euronext market rules (see notably articles 4202/1; 5301/2 and 8104/1 (iii) - Rule Book 1).
4. In case of approval of the request, Euronext will apply the relevant commercial gesture as defined in its internal procedure.

## 2. EQUITIES

Euronext is offering a Market Maker Agreement on equities and a series of Market Maker Schemes.

### 2.1 MARKET MAKER FEES

There are distinct categories of Market Makers on Equities, classified by their activity. The Market Maker trading fee scheme is based on these categories, as follows:

#### 2.1.1 Market Maker Agreement trading fee

No financial benefits are granted to the participant in the Market Making Agreement, the standard Euronext Cash Markets Trading Fee Structure is applied.

#### 2.1.2 SLP Scheme trading fee

- (i) Market Makers orders are free of charge.
- (ii) Market Makers trades will be charged according to the selected tier and is based on their performance compared to the requirements as stated in the Scheme Agreement.

##### 2.1.2.1 Standard Profile

Tier	Order Book Presence Time	Average Size	BBO Presence Time	BBO Setting*	Maker Market Share	Total Market Share	Taker Fee	Maker Fee
1	95%	≥€5000	≥20%	≥10%	≥1,50%	≥5,0%	0,25 bps	-0,10 bps
2				≥5%	≥1,20%	≥3,5%	0,30 bps	-0,05 bps
3				≥0%	≥1,0%	≥2,0%	0,35 bps	0,00 bps
Requirements not met							0,55 bps	0,55 bps

##### 2.1.2.2 Maker Profile

Tier	Order Book Presence Time	Average Size	BBO Presence Time	BBO Setting*	Maker Market Share	Total Market Share	Taker Fee	Maker Fee
1	95%	≥€5000	≥20%	≥20%	≥3,0%	≥4,0%	0,30 bps	-0,15 bps
Requirements not met							0,55 bps	0,55 bps

\* The average lifetime of cancelled and/or replaced BBO setting orders must exceeds ≥20 seconds.

During stressed market conditions, the maximum spread requirements (as detailed in the Market Making Agreement) will be doubled.

On all Liquid Securities, participants having an order book presence time above 95% will benefit from a doubled order to trade ratio.

Participants will be required to select the tier under which they'll operate 1 business day prior to the start of the month by sending the confirmation to [equities@euronext.com](mailto:equities@euronext.com).

## 2.2 RETAIL LIQUIDITY PROVIDER FEES – BEST OF BOOK

Orders from Retail Liquidity Provider participants within Best of Book are free of charge.

Executed orders<sup>1</sup> from Retail Liquidity Provider participants will be charged 0.60 basis points on their liquidity-providing activity within Best of Book, i.e. activity performed with the Retail Liquidity Order Account (Rule 4201/1 (e)) on blue chips traded during the continuous trading session.

Please note that the monthly activity of Retail Liquidity Providers is considered as LP activity and is therefore not taken into account when determining the member’s tier for standard cash market fees.

## 2.3 EXTENDED RETAIL LIQUIDITY PROVIDER FEES – BEST OF BOOK

Orders from Extended Retail Liquidity Provider participants within Best of Book are free of charge.

Executed orders<sup>2</sup> from Extended Retail Liquidity Provider participants will be charged following the table below on their liquidity-providing activity within Best of Book, i.e. activity performed with the Retail Liquidity Order Account (Rule 4201/1 (e)) on equities traded during the continuous trading session.

Please note that the monthly activity of Extended Retail Liquidity Providers is considered as LP activity and is therefore not taken into account when determining the member’s tier for standard cash market fees.

For the number of the best performing stocks stated below in each basket for the relevant tier, the Extended Retail Liquidity Provider must meet the quoting obligations above for each basket on a monthly basis during the continuous trading session;

Tier	Basket	Index	Euronext BBO Presence Time per basket	Average Size per basket	Calculated on the # best performing stocks per basket	Trading Fees
1	A	CAC40, AEX25, BEL20 (80 stocks)	≥95%	≥€10,000	75	If requirements are met on baskets A, B & C 0.25bps
	B	AMX, CAC NEXT20, CAC MID60, PSI20 (120 stocks)	≥95%	≥€7,500	110	
	C	Other midcaps (360 stocks)	Not measured for now	≥€5,000	300	
2	A	CAC40, AEX25, BEL20 (80 stocks)	≥80%	≥€7,500	70	If requirements are met on baskets A, B & C 0.30bps
	B	AMX, CAC NEXT20, CAC MID60, PSI20 (120 stocks)	≥60%	≥€5,000	100	
	C	Other midcaps (360 stocks)	Not measured for now	≥€2,500	80	
Requirements not met						0.60 bps

Also, the ‘Extended RLP’ must, at the time of emitting quotes, ensure that such quotes are at or better than the European Best Bid and Offer on both sides of the book, as measured by the ‘Extended RLP’, on a best efforts basis.

<sup>1</sup> Executed orders must have been executed during the same trading day. If an order is executed several times during the auction and trading session, it will be taken into account only once for each trading mechanism.

<sup>2</sup> Executed orders must have been executed during the same trading day. If an order is executed several times during the auction and trading session, it will be taken into account only once for each trading mechanism.

In addition to the above parameters, standalone Extended Retail Liquidity Providers (i.e.: not registered under the Supplemental Liquidity Provider Programme) can hedge their RLP positions onto the Central Euronext Order Book at 0.55bps.

For any trading activities conducted as standalone RLP on the scope of SLP securities (during the continuous session), an equal amount of turnover executed on the central order book of Euronext will be charged at the aforementioned rate.

## **2.4 LIQUIDITY PROVIDER PROGRAMME**

Liquidity Providers that meet the requirements and obligations more than 80% of the time on average over the calendar month will not incur any trading fees for their liquidity provision activities.

Where a Liquidity Provider fails to meet the requirements more than 80% of the time on average over the calendar month, , the standard Euronext Cash Markets Trading Fee Structure is applied..

### 3. EXCHANGE-TRADED PRODUCTS

#### 3.1 ETFs, ETNs AND ETVs TRADED ON THE SECONDARY MARKET

Euronext is offering a Market Maker Agreement on ETFs, ETNs and ETVs and a Market Maker scheme.

##### 3.1.1 Market Maker Agreement trading fee

No financial benefits are granted to the participant in the Market Making Agreement, the standard Euronext Cash Markets Trading Fee Structure is applied.

##### 3.1.2 Market Maker Scheme trading fee

Market Maker orders are free of charge.

#### ■ Obligations fulfilled

If the Market Maker's obligations are fulfilled, the trading fee rebate will be based on the Market Maker's passive and aggressive market share, except for guaranteed principal cross trades and block trades via TCS.

**Guaranteed principal book cross-trades** are charged at 0.05 basis points, with a maximum charge of €45.00 per trade side.

**Block trades and other negotiated trades** are charged at 0.05 basis points, with a maximum charge of €45.00 per trade side. A monthly cap of €1,000 per member is applicable.

Guaranteed principal cross trades and block trades are not taken into account in the passive and aggressive market share calculation.

The discounts for Market Maker meeting their requirements are as follows:

- Maker discount = 4 x passive market share (capped at 100%)
- Taker discount = 1 x aggressive market share (no cap)
- No discount for auction activity.

For products not traded in Euros on Euronext, the transaction size is calculated in Euros using the ECB currency rate of the trading day or the last known currency rate.

#### MARKET MAKER SCHEME TRADE FEE – ETPS: where obligations fulfilled

<b>MARKET MAKER trading activity</b>	Maker discount = 4 x passive market share (capped at 100%) Taker discount = 1 x aggressive market share (no cap) No discount for auction activity.
<b>Guaranteed principal cross trades</b>	0.05 basis points per side of each trade, with a maximum of €45.00 per trade side.
<b>Block trades and other negotiated trades via TCS</b>	0.05 basis points per side of each trade, with a maximum of €45.00 per trade side. Monthly cap of €1,000 per member.

#### ■ Obligations not fulfilled

Where the obligations are not fulfilled, an ad-valorem fee of 0.60 basis points applies to the Market Maker side of each trade with

a minimum of €0.75, except for guaranteed principal cross trades and block trades via TCS.

Guaranteed principal cross trades<sup>2</sup> will be charged an ad-valorem fee of 0.15 basis points for the Market Maker side of the trade, with a minimum of €0.75.



Block trades **and other negotiated trades** will be charged an ad-valorem fee of 0.15 basis points for the Market Maker side of the trade, with a maximum of €45.00 and a minimum charge of €0.75 per trade side. A monthly cap of €1,000 per member is applicable. .

For products not traded in Euros on Euronext, the transaction size is calculated in Euros using the ECB currency rate of the trading day or the last known currency rate.

<b>MARKET MAKER TRADE FEE – ETPS: where obligations NOT fulfilled</b>	
<b>MARKET MAKER trading activity</b>	Ad-valorem fee of 0.60 basis points with a minimum of €0.75
<b>Guaranteed principal cross trades</b>	0.15 basis points per side of each trade, with a maximum of €45.00 and a minimum of €0.75 per trade side.
<b>Block trades and other negotiated trades via TCS</b>	0.15 basis points per side of each trade, with a maximum of €45.00 and a minimum of €0.75 per trade side.  Monthly cap of €1,000 per member.

### 3.2 INVESTMENT FUNDS TRADED (NON ETF) ON THE SECONDARY MARKET

The Liquidity Provider fee policy for open-ended investment funds traded at secondary market, and closed-ended investment funds traded outside equity trading groups, is as follows:

#### 3.2.1 Liquidity Provider order fee

Liquidity Provider orders are free of charge.

#### 3.2.2 Liquidity Provider trade fee

Liquidity Provider trades are free of charge.

### 3.3 OPEN-ENDED INVESTMENT FUNDS (NON ETF) TRADED ON EURONEXT FUND SERVICES

The Fund Agent fee policy for open-ended investment funds, traded on Euronext Fund Services is as follows:

#### 3.3.1 Fund Agent order fee

Fund Agent orders are free of charge.

#### 3.3.2 Fund agents trade fee

Fund Agent trades are free of charge.

## 4. STRUCTURED PRODUCTS

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Euronext is offering a Market Maker Agreement on Structured Products traded on the Hybrid market model with no Request For Execution or the Order Driven market model, as well as Liquidity Provider programs for all Structured Products regardless of the trading model.

### 4.1 MARKET MAKER AGREEMENT TRADING FEES

No financial benefits are granted to the participant in the Market Making Agreement, the standard Euronext Cash Markets Trading Fee Structure is applied.

### 4.2 LIQUIDITY PROVIDER TRADING FEES AND ISSUER LISTING FEES FOR WARRANTS AND CERTIFICATES (TRADED ON THE REQUEST FOR EXECUTION MARKET MODEL)

This section shall constitute the relevant Liquidity Provider Scheme for Warrants and Certificates (traded on the Request For Execution market model, also known as the Hybrid model) for the purposes of the Liquidity Provider Agreement, as primarily governed by the Liquidity Provider Terms and Conditions.

This section details fees which apply to Issuers of Warrants and Certificates (traded on the Request For Execution market model) and those Liquidity Providers appointed by the issuer of each of these structured products. For the avoidance of doubt, only members of Euronext can be appointed as Liquidity Providers..

#### 4.2.1 DEFINITIONS AND CONSTRUCTION

##### 4.2.1.1 DEFINITIONS

Capitalized terms used but not otherwise defined herein shall have the meaning ascribed to such terms in the Euronext Rule Book, Book I (as amended from time to time) and for the purposes of section 4.2 of this document, the following terms shall have the following meaning:

**Available for Trading:** Securities that are listed and open for trading on one or more Euronext Securities Markets.

**Certificate:** Is a Security issued by a Credit Institution. The terms of the Certificate's repayment at maturity are generally known and guaranteed when they are issued.

**Extended Trading Hours:** Extended Trading Hours enabling Issuers of Warrants & Certificates to render them Available for Trading on the relevant Euronext Securities Market between 09:05 CET and 18:30 CET and/or between 08:00 CET and 18:30 CET (it being understood that non-Extended Trading Hours for Warrants & Certificates are from 09:05 - 17:30 CET).

**New Warrants & Certificates Issuer:** An Issuer with no Warrants & Certificates currently listed on any Euronext Securities Market or an Issuer who has not listed any Warrants & Certificates on a Euronext Securities Market in the last 3 years.

**Plug&Clear:** A corporate actions service that has been developed together with Euroclear. Subject to its signature by the Issuer, it provides the latter with a relevant framework and tools to concomitantly send details of relevant corporate actions on Warrants & Certificates listed on one or more Euronext Securities Market to both Euroclear and the Relevant Euronext Market Undertaking.

**PlugWeb:** A web-based corporate actions service which, subject to its signature by the Issuer, provides the latter with a relevant framework and tools to deliver, via web upload, details of corporate actions on Warrants & Certificates listed on one or more Euronext Securities Market to the Relevant Euronext Market Undertaking.

**Request for Execution Model:** See Instruction N°4-01 as amended from time to time.

**Retiring Issuer:** an Issuer having notified the Relevant Euronext Market Undertaking(s), and having made public as relevant the information, that it will cease to list and/or admit to trading new Warrants & Certificates on any Euronext Market and/or in their relevant Member State(s), it being understood that such status of Retiring Issuer

shall only become effective as of the next calendar month in which the Issuer effectively ceases to list and/or admit to trading Warrants & Certificates.

**Warrant:** A Security issued by a Credit Institution that gives its holder the right, but not the obligation, to buy (call Warrant) or to sell (put Warrant) an underlying asset at a predetermined price, up to the day of maturity.

#### 4.2.1.2 CONSTRUCTION

1. All amounts mentioned in section 4.2 of this document are exclusive of any tax, duties, charges or levies payable by any Person.
2. All amounts included in section 4.2 of this document are in Euros.
3. Section 4.2 of this document only applies to Warrants & Certificates listed and/or traded on Euronext Securities Markets on the Request for Execution Model. Accordingly, the fee provisions and definitions set out in section 4.2 of this document are without prejudice to any fee provisions and definitions applicable to Securities other than Warrants and Certificates admitted to listing and/or trading on Euronext Securities Markets or other markets operated by Euronext Market Undertakings (including any relevant Securities admitted on those markets).
4. Section 4.2 of this document applies only to Issuers and Liquidity Providers of the Warrants & Certificates described above.
5. Section 4.2 of this document may be amended from time to time subject to prior notice being given by the Relevant Euronext Market Undertakings.

#### 4.2.2 LISTING FEES

Listing fees are calculated monthly based on the relevant Issuer's daily average number of Warrants & Certificates Available for Trading. Two listing fee options are available:

- no listing package
- with listing package.

By default, Issuers will initially have the "no listing package" fee scheme applied unless they opt for the listing package fee scheme.

Listing fees will be due and payable to the Relevant Euronext Market Undertaking on whose Regulated Market the largest number of Warrants & Certificates are Available for Trading during the relevant month.

##### 4.2.2.1 NO LISTING PACKAGE

- €60 per month per Security Available for Trading<sup>3</sup> on one of the Euronext Market Undertakings.
- Multi-listed products are charged only once, on their Market of Reference. Therefore, the multi-listing on another Euronext Securities Market of a Security that is listed on a Euronext Securities Market as its primary market is free of charge.

The appropriate fees are invoiced shortly after the end of each month.

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<sup>3</sup> The number of Securities available for Trading is expressed as a daily average, calculated over the relevant month.

**4.2.2.2 WITH LISTING PACKAGE**

TABLE 1: LISTING PACKAGES

PACKAGES	DAILY AVERAGE NUMBER OF SECURITIES AVAILABLE FOR TRADING	ANNUAL LISTING FEES
Package 1	1 - 2,000	€ 550,000
Package 2	2,001 - 4,000	€ 750,000
Package 3	4,001 - 6,000	€ 850,000
Package 4	6,001 - 8,000	€ 950,000
Package 5	8,001 - 10,000	€ 1,050,000
Package 6	10,001 - 12,000	€ 1,150,000
Package 7	12,001 - 14,000	€ 1,250,000
Package 8	14,001 - 16,000	€ 1,350,000
Package 9	16,001 - 18,000	€ 1,450,000
Package 10	18,001 - 20,000	€ 1,550,000
Package 11	20,001 - 22,000	€ 1,650,000

**a. Choice of package:**

- Upon opting for the listing package fee scheme, Issuers should choose one of the available packages based upon their expected live product range. Issuers must choose a listing fee package by the end of January of each calendar year.
- Packages are invoiced monthly (1/12th of the fee for the relevant package selected). Issuers will not be invoiced for a lower listing fee package than the one initially chosen.
- Notwithstanding the above, to the extent that Euronext observes that an Issuer's daily average number of Securities Available for Trading exceeds the product range of the selected package over the previous month, Euronext will invoice the issuer for the relevant listing fee package.
- Furthermore, if an Issuer exceeds its listing fee package in 2 consecutive months, resulting in a higher package being applied each time, Euronext will then apply for the remaining of the calendar year the lower listing fee package observed during these 2 consecutive months, unless a higher daily average number of Securities Available for Trading is calculated.
- Retiring Issuers shall be invoiced monthly for the relevant package corresponding to the actual number of live Warrants & Certificates for the given month as calculated by Euronext.

To the extent however that a Retiring Issuer would subsequently list and/or admit to trading new Warrants & Certificates on any Euronext Market or in their relevant Member State(s) within a 1-year period following the date upon which it initially became a Retiring Issuer, it shall then automatically be deemed to have breached its Retiring Issuer status. In such a case, the Relevant Euronext Market Undertaking(s) shall be authorized to retroactively invoice the defaulting Retiring Issuer for the relevant listing fees that would have been otherwise due should it have been a non-Retiring Issuer for the relevant period.

**b. New Warrants & Certificates Issuers:**

- New Warrants & Certificates Issuers may opt to choose listing package 1 at no cost. In this case, trading fees are substantially higher than for Issuers paying for their listing package (see Table 2 in Section 4.2.3.2).
- Listing package 1 remains free of charge for New Warrants & Certificates Issuers for a maximum of 24 months or until either of the two events below occurs:
  - Trades on the products issued under free package 1 amount to a monthly average of 750 trades per day;

- Trades on the products issued under free package 1 account for a monthly market share of 5% (or above) of all value traded and number of transactions on Warrants & Certificates across the Euronext Securities Markets.
- For the month during which one of the above events takes place, package 1 remains free of charge. The following month, the New Warrants & Certificates Issuers will be charged at the cost of package 1, or any higher package if their product range exceeds package 1.

### 4.2.3 TRADING FEES

There are specific fees charged for Warrants & Certificates Liquidity Providers trading on Warrants & Certificates on the Euronext Securities Markets, applicable to all Warrants & Certificates Liquidity Providers.

#### 4.2.3.1 ELIGIBILITY

Only Liquidity Providers may send Liquidity Provider (LP) orders to the system. These orders must be flagged with the caption ‘Liquidity Provider’ to be identified as Liquidity Provider orders.

A trade leg resulting from an LP order is identified as an LP trade. Only LP orders and trades benefit from the Liquidity Provider Trading Fee Scheme detailed in section 4.2 of this document.

Orders sent by the Liquidity Provider to the system but not flagged as LP orders are not charged under the Liquidity Provider Trading Fee Scheme, but under the standard Euronext Cash Markets Trading Fee Structure.

#### 4.2.3.2 LIQUIDITY PROVIDER TRADING FEES

Trading fees for Warrants & Certificates Liquidity Providers are calculated in basis points based on the value of each trade, with a floor (minimum fee per trade) and a cap (maximum fee per trade).

Trading fees will be due and payable to the Relevant Euronext Market Undertaking on whose Regulated Market the Transactions were executed.

Depending on which listing fees option the Issuer has chosen for its Warrants & Certificates, the trading fee scheme will vary, it being understood that trading fees will be significantly higher for Issuers benefiting from free package 1, as opposed to Issuers having opted for paid listing fees packages or Issuers with no listing package.

TABLE 2: TRADING FEE SCHEME

	TRADING FEES FOR PAID LISTING PACKAGES OR WITHOUT A PACKAGE	TRADING FEES FOR FREE-OF-CHARGE PACKAGE 1
Cost per trade	8bp	12bp
Floor per trade	€0.70	€2.50
Cap per trade	€11.00	€11.00

Liquidity Provider orders are free of charge.

Trading fees are based on a sliding scale: fee reductions are applied progressively based on the level of trading activity (calculated as per Table 3), as described below:

TABLE 3: TRADING FEE SLIDING SCALE

MONTHLY TRADING FEES	FEE REDUCTIONS APPLICABLE TO EACH TRADING FEE RANGE
Between €0 and €50,000	0%
Between €50,001 and €85,000	-20%
Above €85,000	-30%

There is no fee reduction applied on the initial €50,000 fee; a 20% fee reduction is applied to the subsequent fee between €50,001 and €85,000; a 30% fee reduction is applied to any remaining amount over €85,000.

For example, for monthly trading fees of €95,000, the following fee reductions will apply:

- -20% on the monthly trading fees between €50,001 and €85,000 (that is, 20% of €34,999 = €6,999.80)
- -30% on the monthly trading fees above €85,000 (that is, 30% of €9,999 = €2,999.70).

The resulting fee reduction would be a total of €9,999.50 on the total trading fee of €95,000, resulting in a total monthly trading fee after fee reduction of €85,000.50.

Fee reductions resulting from the trading fee sliding scale are without prejudice to, and not exclusive of, fee reductions provided for services/options as per Table 4 of section 4.2.4.

#### 4.2.4 FEE REDUCTIONS FOR SERVICES/OPTIONS

Additional reductions on listing and/or trading fees are available for Issuers and Liquidity Providers using the services or options detailed in Table 4 below.

Trading fee reductions and listing fee reductions provided for below are not mutually exclusive.

TABLE 4: LISTING AND/OR TRADING FEE REDUCTIONS

SERVICES/OPTIONS	TRADING FEE REDUCTION	LISTING FEE REDUCTION <sup>4</sup>
Knock-Out By Issuer (KOBI)		-4%
Payment After Knock-Out (PAKO) <sup>5</sup>		-4%
Extended Trading Hours		-5%
Listing and trading of products with identical conditions	-25%	-14%
Plug&Clear / PlugWeb usage		-2%
Promotion of Euronext markets		-2%
Active on two Euronext markets		-2%
Active on three Euronext markets		-4%
Active on four Euronext markets		-6%
Listing Focus	-40%	-23%
<b>FEE REDUCTION CAP</b>	<b>-40%</b>	<b>-35%</b>

The reductions detailed in Table 4 above apply to listing and/or trading fees, as relevant. Such fee reductions are cumulative; however, there is an aggregate cap of 40% on the reduction for monthly trading fees and an aggregate cap of 35% on the reduction for monthly listing fees.

In order for an Issuer and/or Liquidity Provider to benefit from any such fee reduction, it must have continuously met all relevant conditions throughout the relevant month.

<sup>4</sup> Listing fee reductions only apply to listing packages. Issuers listing without a package cannot benefit from listing fee reductions

<sup>5</sup> Formerly known as Trading After Knock-Out (TAKO)

The above trading and/or listing fee reductions are without prejudice to, and not exclusive of, fee reductions resulting from the trading fee sliding scale (as per Table 3).

These fee reductions are calculated monthly and applied to the relevant monthly invoices.

#### 4.2.4.1 KOBİ (KNOCK-OUT BY ISSUER)

This service enables Issuers to send to the Relevant Euronext Market Undertaking an automatic 'knock-out' message via the market gateway in order to inform the trading engine of a knock-out event and halt trading on the knocked-out products.

Issuers who use the KOBİ service to manage knock-out events on all their products that have a knock-out barrier will be eligible for a 4% reduction on their relevant monthly listing fees.

#### 4.2.4.2 PAKO<sup>4</sup>(PAYMENT AFTER KNOCK-OUT)

This service enables Liquidity Providers to redeem knocked-out products at their residual value immediately after a knock-out event.

Issuers who use the PAKO service for all knock-out events on their knock-out products will be eligible for a 4% reduction on their relevant monthly listing fees.

#### 4.2.4.3 EXTENDED TRADING HOURS

Issuers with at least 35%<sup>6</sup> of their Warrants & Certificates across Euronext Securities Markets trading on Extended Trading Hours are eligible for a 5% reduction on their relevant monthly listing fees

#### 4.2.4.4 LISTING AND TRADING OF ALL PRODUCTS WITH IDENTICAL CONDITIONS

Some Issuers offer their products for trading on several exchanges and/or trading platforms in one market. They may decide to list only part of their product range on each exchange or trading platform. Issuers who list products on multiple exchanges or trading platforms, but choose to list on Euronext all their products available to investors of one country, with the same trading conditions, will benefit from a "Listing and trading of products with identical conditions" fee reduction<sup>7 8</sup>.

This reduction applies both to trading and listing fees.

Trading conditions include:

- trading hours (as many hours as possible on Euronext)
- prices
- bid/offer spreads
- tick size
- bid/offer sizes.

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<sup>6</sup> Expressed as a daily average, calculated over the month being invoiced

<sup>7</sup> This fee reduction is not available for issuers listing their products only on Euronext.

<sup>8</sup> This fee reduction is not compatible with the Listing Focus fee reduction.

#### 4.2.4.5 PLUG&CLEAR / PLUGWEB USAGE

Issuers that have signed a contract for and are using Plug&Clear and/or PlugWeb features for the purpose of processing all relevant corporate actions relating to all their Warrants & Certificates listed on Euronext Securities Markets will benefit from the “Plug&Clear / PlugWeb Usage” fee reduction.

If a new Plug&Clear and/or PlugWeb feature is made available, a four-month grace period will be granted to Issuers already benefiting from the “Plug&Clear / PlugWeb usage” fee reduction subject to their continued use of all relevant existing Plug&Clear and/or PlugWeb features. This grace period will start from the moment the new client specifications are made available, to allow Issuers to consider using the new Plug&Clear and/or PlugWeb feature and to adapt their internal systems accordingly. The “Plug&Clear / PlugWeb usage” fee reduction will only continue after the end of the grace period to the extent that Issuers are effectively using the new (and existing) Plug&Clear and/or PlugWeb features<sup>9</sup>.

#### 4.2.4.6 PROMOTION OF EURONEXT REGULATED MARKETS

Issuers promoting Euronext in their commercial advertisements and/or marketing materials (as a minimum, on their website homepage, in educational guides and in newsletters) will receive a 2% reduction on their listing fees for any month during which they have continuously promoted Euronext as per the below.

The Euronext logo with the strapline “Products listed and available for trading on” (translated into the language used in the advert or marketing materials) must be included. Details and characteristics of the correct logo, graphic guidelines and specifications should be obtained from the Structured Products team. Templates of the relevant commercial advertisements and/or marketing materials on which Issuers intend to affix the above described message must be pre-cleared by Euronext in terms of quality, position and context in order to qualify for this fee reduction. No further pre-clearance is required thereafter to the extent that placement of the message is not changed in any way.

All of the above requirements must be duly fulfilled throughout the entire relevant calendar month in order for the Issuer to benefit from the promotional fee reduction.

#### 4.2.4.7 ACTIVE ON TWO / THREE / FOUR EURONEXT SECURITIES MARKETS

Warrants & Certificates Issuers with a certain level of listing activity on more than one Euronext Securities Market will be able to benefit from one of the three listing fee reductions below:

1. In order to receive a 2% listing fee reduction, an Issuer should fulfil at least two of the below conditions:
  - a) have at least 25% or 750 of its products Available for Trading on Euronext Amsterdam;
  - b) have at least 25% or 400 of its products Available for Trading on Euronext Brussels;
  - c) have at least 25% or 500 of its products Available for Trading on Euronext Lisbon;
  - d) have at least 25% or 1,000 of its products Available for Trading on Euronext Paris.
  
2. In order to receive a 4% listing fee reduction, an Issuer should fulfil at least three of the below conditions:
  - a) have at least 20% or 750 of its products Available for Trading on Euronext Amsterdam;
  - b) have at least 20% or 400 of its products Available for Trading on Euronext Brussels,;
  - c) have at least 20% or 500 of its products Available for Trading on Euronext Lisbon;
  - d) have at least 20% or 1,000 of its products Available for Trading on Euronext Paris.
  
3. In order to receive a 6% listing fee reduction, an Issuer should fulfil all four of the below conditions:
  - a) have at least 15% or 750 of its products Available for Trading on Euronext Amsterdam;
  - b) have at least 15% or 400 of its products Available for Trading on Euronext Brussels;

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<sup>9</sup> If the new Plug&Clear and/or PlugWeb feature is launched more than 4 months after the relevant specifications are made available, Issuers will continue to benefit from the Plug&Clear and/or PlugWeb usage fee reduction up until the go-live date, as long as they process all relevant corporate actions relating to all their Warrants & Certificates listed on Euronext Securities Markets with the other features available.



- c) have at least 15% or 500 of its products Available for Trading on Euronext Lisbon;
- d) have at least 15% or 1,000 of its products Available for Trading on Euronext Paris.

Because multi-listed products are charged only once, on their Market of Reference, calculation of the above ratios and figures shall only take into account any such multi-listed product once.

#### 4.2.4.8 LISTING FOCUS

In order to qualify for Listing Focus with Euronext on Warrants & Certificates, an Issuer shall offer its Warrants & Certificates to Belgian, Dutch, French and/or Portuguese investors on Euronext Securities Markets only. Issuers offering some or all of their Warrants & Certificates to Belgian, Dutch, French and/or Portuguese investors on another Exchange or trading platform in any of the countries where a Euronext Securities Market exists will not qualify for Listing Focus with Euronext on Warrants & Certificates.

Issuers qualifying for Listing Focus with Euronext on Warrants & Certificates benefit from a 23% monthly listing fee reduction and a 40% monthly trading fee reduction.

This reduction applies both to trading and listing fees.

### 4.2.5 LIQUIDITY PROVIDER PERFORMANCE

#### 4.2.5.1 LIQUIDITY PROVIDER OBLIGATIONS

Liquidity Providers must have entered into a Liquidity Provider Agreement with Euronext. The Liquidity Provider obligations under the LPA are described in more detail in the Note for readers - 4-01 from the Appendix to Euronext Instruction 4-01 of Euronext Cash Market Trading Manual (“the Note”).

In order to be considered as “fulfilled obligations”, the Liquidity Provider should have fulfilled on a monthly basis, per product, at least 80% of the Liquidity Provider obligations as set out in the Note, based on each of the following criteria:

- presence during continuous trading;
- size of bid and ask orders;
- spread between bid and ask orders.

#### 4.2.5.2 TRADING FEES

The trading fee reductions as described in section 4.2.4 will be applied in full for all the Warrants & Certificates for which the Liquidity Provider obligations are fulfilled. For the avoidance of doubt, no trading fee reduction will be applied for the Warrants & Certificates for which the Liquidity Provider obligations are not fulfilled.

#### 4.2.5.3 LISTING FEES

At the end of each month, a Liquidity Provider obligation fulfillment ratio will be calculated by Euronext, based on the number of products for which the Liquidity Provider obligations were met and the number of products for which the Liquidity Provider obligations were not met.

The listing fee reductions obtained as described in section 4 will be adjusted to this ratio.

For example, if during one month:

- An issuer has obtained a 30% reduction on listing fees as described in section 4.2.4,
  - and its Liquidity Provider obligations are met on 82% of its Warrants & Certificates,
- then the reduction applied to this issuer’s listing fees will be 24.6% ( = 30% x 82% ).

#### **4.3 LIQUIDITY PROVIDER TRADING FEES AND ISSUER LISTING FEES FOR CERTIFICATES (NOT TRADED ON THE REQUEST FOR EXECUTION MARKET MODEL) AND STRUCTURED NOTES**

This section shall constitute the relevant Liquidity Provider Scheme for Certificates (not traded on the Request For Execution market model) and Structured Notes for the purposes of the Liquidity Provider Agreement, as primarily governed by the Liquidity Provider Terms and Conditions.

This section details the fees which apply to Issuers of Certificates (not traded on the Request For Execution market model) and Structured Notes and those Liquidity Providers appointed by the issuer of each of these structured products. For the avoidance of doubt, only members of Euronext can be appointed as Liquidity Providers.

##### **4.3.1 DEFINITIONS**

Capitalized terms used but not otherwise defined herein shall have the meaning ascribed to such terms in the Euronext Rule Book, Book I (as amended from time to time) and for the purposes of section 4.3 of this document only the following terms shall have the following meaning:

**Admission:** An Initial Admission or Subsequent Admission.

**Admission Fee:** The Admission Fee payable by an Issuer for its Securities being admitted to listing and/or trading on any Euronext Securities Market in connection with an Initial Admission or a Subsequent Admission (as the case may be).

**Certificate:** Is a Security issued by a Credit Institution. Generally, the terms of the Certificate's repayment at maturity are known and guaranteed when they are issued.

**Euronext Market Undertakings:** Euronext Amsterdam N.V., Euronext Brussels S.A./N.V., Euronext Lisbon – Sociedade Gestora de Mercados Regulamentados, S.A., Euronext Paris S.A. and Euronext London Limited.

**Euronext Securities Market:** Any regulated market for securities operated by any Euronext Market Undertaking (also known as Euronext Regulated Markets.)

**Initial Admission:** An Initial Admission of Securities to listing and/or trading on any Euronext Securities Market.

**Issuer:** Any legal entity whose Securities are to be admitted or have been admitted to listing and/or trading one or more Euronext Securities Market(s).

**Listed:** Applying to those Securities that are available for trading on the relevant Euronext Securities Market.

**Market Access Fees:** The market access fee payable by an Issuer for its Securities being accessible to trading on any Euronext Securities Market, such fee being due for the entire calendar year (unless otherwise provided for in section 4.3).

**Request For Execution Model:** See Instruction N°4-01 as amended from time to time.

**Relevant Euronext Market Undertaking:** The Euronext Market Undertaking that has admitted the Securities to listing or trading on a Euronext Securities Market, or with which the relevant application for Admission to listing and/or trading is pending, as the context may require.

**Security:** Any transferable security in the form of a Structured Note or a Certificate.

**Structured Note:** A debt security issued by a credit institution that has one or more special features such as an interest payment based on an equity index, a foreign exchange index, or a benchmark interest.

**Subsequent Admission:** A subsequent Admission to listing and/or trading on a Euronext Market of new Securities.

##### **4.3.2 CONSTRUCTION**

1. All amounts mentioned in section 4.3 of this document are exclusive of any tax, duties, charges or levies payable by any Person.

2. All amounts included in section 4.3 of this document are in Euros. If Securities are denominated in a currency other than Euros, the conversion to Euros shall be calculated by the Relevant Euronext Market Undertaking.
3. Section 4.3 of this document only applies to the Certificates (not traded on the Request For Execution model) and Structured Notes listed and/or traded on Euronext Securities Markets. Accordingly, the fee provisions and definitions set out in section 4.3 of this document are without prejudice to any fee provisions and definitions applicable to Securities and/or markets by Euronext Market Undertakings not covered by section 4.3 of this document and published by Euronext.
4. Section 4.3 of this document may be amended from time to time subject to prior notice being given by the Relevant Euronext Market Undertakings.

### **4.3.3 LISTING FEES**

#### **4.3.3.1 ADMISSION FEE**

A one-time Admission Fee is applied at the Admission of a Security on any Euronext Market Undertaking. The fee structure is as follows:

- €250 for the Initial Admission of a Security,
- €100 for each multiple Admission on another Euronext Market

The relevant fees are invoiced at the end of each month.

#### **4.3.3.2 MARKET ACCESS FEE**

A daily Market Access Fee is applied per Security per calendar day. The fee structure is as follows:

- €1.00 per ISIN per calendar day,

The relevant fees are invoiced at the end of each month.

### **4.3.4 TRADING FEES**

There are specific fees charged to all Certificates<sup>10</sup> and Structured Notes Liquidity Providers trading on Certificates<sup>10</sup> and Structured Notes on the Euronext Securities Markets.

#### **4.3.4.1 ELIGIBILITY**

Only Liquidity Providers may send Liquidity Provider (LP) orders to the system. These orders must be flagged with the caption 'Liquidity Provider' to be identified as Liquidity Provider orders.

A trade leg resulting from an LP order is identified as an LP trade. Only LP orders and trades benefit from the Liquidity Provider Trading Fee Scheme detailed in section 4.3.4.3.

Orders sent by the Liquidity Provider to the system but not flagged as LP orders are not charged under the Liquidity Provider Trading Fee Scheme, but under the Structured Products section of the standard Trading Fee Guide For Euronext Cash Market Members.

#### **4.3.4.2 LIQUIDITY PROVIDER OBLIGATIONS**

Liquidity Providers must have entered into a Liquidity Provider Agreement with Euronext. The Liquidity Provider obligations under the Liquidity Provider Agreement are described in more detail in the Note for readers - 4-01 from the Appendix to Euronext Instruction 4-01 of Euronext Cash Market Trading Manual ('the Note').

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<sup>10</sup> Not traded on the Request For Execution model

**4.3.4.3 LIQUIDITY PROVIDER TRADING FEES**

Trading fees for Certificates<sup>10</sup> and Structured Notes Liquidity Providers are calculated in basis points based on the value of each trade, with a floor (minimum fee per trade) and a cap (maximum fee per trade).

Trading fees will be due and payable to the Relevant Euronext Market Undertaking on whose Euronext Securities Market the Transactions were executed.

Liquidity Provider Trading Fee Scheme:

TRADING FEES	
<b>Cost per trade</b>	8bp
<b>Floor per trade</b>	€0.70
<b>Cap per trade</b>	€11.00

Liquidity Provider orders are free of charge.

## 5. BONDS

Euronext is offering a Market Maker Agreement on Bonds and a Liquidity Provider program.

### 5.1 MARKET MAKER AGREEMENT TRADING FEE

No financial benefits are granted to the participant in the Market Making Agreement, the standard Euronext Cash Markets Trading Fee Structure is applied.

### 5.2 LIQUIDITY PROVIDER TRADING FEE

#### 5.2.1 Liquidity Provider order fee

Liquidity Provider orders with a market value equal to or above €40,000 are free of charge.

Liquidity Provider orders with a market value of below €40,000 are charged €2.00 each.

Please note that:

- Only limit orders have a market value;
- The market value of an order is the order size multiplied by the limit price of the order, i.e. order size x limit price;
- For bonds quoted in clean price, the amount of accrued interest is added to the limit price to determine the market value of the order;
- For bonds quoted in units (UNT), the order size entered by the member corresponds to the number of securities, whereas for bonds quoted in face amount (FMT), the order size entered by the member corresponds to the number of securities multiplied by the nominal value traded of the said security. Therefore, to calculate the market value, in the case of bonds quoted in UNT, the order size is multiplied by the nominal value of the said security. The order size is always different from the market value of an order as defined above, since it does not include any market price dimension;
- For non-Euro denominated products, the market value of an order is calculated in Euro using the ECB currency rate of the trading day or the last known currency rate;
- The market value of an order is rounded to two decimal places.

LP ORDER FEE – BONDS	
LP orders with a market value equal to or above €40,000	Free of charge
LP orders with a market value of below €40,000	€2.00

#### 5.2.2 Liquidity Provider trade fee

Liquidity Provider trades fees are based on the principle; the more LPs do Maker the higher the discount on the Taker. Therefore trades are separated into two categories: maker (passive trades: bringing liquidity to the order book by streaming prices) and taker (aggressive trades: lifting orders already sitting in the order book).

LP TRADE FEE – BONDS	
Maker trades	Free of charge
Taker trades	Charged according to non-LP fee scheme, with a discount*
*discount	Equal to the LP's overall monthly maker rate (Total monthly LP turnover divided by monthly LP maker turnover)

## 6. BILLING

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Market maker and Liquidity Provider fee invoices are sent to members as part of the trading fee invoice on a monthly basis.

Trading fee invoices are billed by member code and by market for all products.

Clients receive one invoice per market of which they are a member (Belgium, France, the Netherlands, Portugal)<sup>11</sup>, plus an overall breakdown document covering all the invoices received, which provides details of numbers of orders and trades, fee tier applied and fee calculations.

The breakdown of fees is written in English. However, according to the domestic law applicable to the individual Euronext locations, invoices for France are billed in French, for Belgium and the Netherlands in English, and for Portugal in Portuguese.

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<sup>11</sup> Please note that SmartPool is a separate entity to Euronext and as such has its own invoicing process. Please refer to the SmartPool website at [www.euronext.com/smartpool](http://www.euronext.com/smartpool)