



Turquoise

London Stock Exchange Group

TURQUOISE DERIVATIVES CONTRACT SPECIFICATION INTERNATIONAL ORDER BOOK DEPOSITARY RECEIPT (IOB DR) OPTIONS

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Turquoise Global Holdings Limited is an authorised investment firm by the Financial Services Authority.

Parameter	Description																									
Contract Underlying	Depository Receipts (DRs) on International Companies listed on the London Stock Exchange's (LSE) International Order Book (IOB) and listed in the Turquoise Derivatives – Product List on the Turquoise Website.																									
Type of Contract	European Style, physically settled DR Call and Put Option Contracts.																									
Central Counterparty	LCH.Clearnet.																									
Trading Hours	08:15 – 15:30 London time for Orderbook trading. 07:30 – 17:30 London time for Trade Reporting.																									
Exercise Window	18:10 – 18:40 London time on Expiration Day.																									
Multiplier	100 DRs. This may change in specific cases in accordance with the Recalculation Rules.																									
Currency	USD, United States Dollar, \$.																									
Quotation display	Option Premium in USD.																									
Tick Size and Tick Value	<table border="1"> <thead> <tr> <th></th> <th>Premium</th> <th></th> <th>Tick Size</th> <th>Tick Value</th> </tr> </thead> <tbody> <tr> <td>USD</td> <td>0.01 - USD</td> <td>0.25</td> <td>USD 0.01</td> <td>USD 1</td> </tr> <tr> <td>USD</td> <td>0.25 - USD</td> <td>3.95</td> <td>USD 0.05</td> <td>USD 5</td> </tr> <tr> <td>USD</td> <td>4.0 - USD</td> <td>9.90</td> <td>USD 0.10</td> <td>USD 10</td> </tr> <tr> <td>USD</td> <td>10.0 - USD</td> <td>∞</td> <td>USD 0.25</td> <td>USD 25</td> </tr> </tbody> </table>		Premium		Tick Size	Tick Value	USD	0.01 - USD	0.25	USD 0.01	USD 1	USD	0.25 - USD	3.95	USD 0.05	USD 5	USD	4.0 - USD	9.90	USD 0.10	USD 10	USD	10.0 - USD	∞	USD 0.25	USD 25
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Settlement style	Physical Settlement.																									
Option style	European Style.																									
Listing Day	The Monday preceding the Expiration Day each month. Where this is not a normal Trading Day, the preceding Trading Day shall be used.																									
Expiration Day	The third Friday in the Expiration Month. Where this is not a normal Trading Day, the preceding Trading Day shall be used.																									

Contract lifetimes and Expiration Months	Out to a maximum of 12 months: First two non quarterly months; First bi-annual Contract of 'March, September' cycle; Next two annual Contracts in the 'June, December' cycle.
End of Day Price	Used for margining purposes, based on the volatility surface, itself dependent on; quotes per series, Underlying spot price, applicable interest rate, dividend amount (if applicable), ex-dividend date (if applicable), the second order interpolation and the arbitrage free surface.
Exercise Settlement Price	The official closing price of the Underlying DR on the London Stock Exchange IOB on Expiration Day. Turquoise shall take this value and round up to the nearest two decimal places to establish the Expiration Settlement Price.
Exercise Settlement	Three Bank Days after Exercise for Physical Delivery of DR against payment of Exercise Settlement Amount.
Premium Settlement	One Bank Day after the Trade Day.

Tailor-made IOB DR Option Contracts: Flexible Parameters
Such contracts are available in accordance with the Turquoise Rulebook Rule 6.14 Allowing Members to specify specific parameters.
Members may specify:
Expiration Day (any Trading Day out to Five years)
Premium (to four decimal places)
Strike Price (to two decimal places)