

## LONDON NOTICE NO. 3792

Issue Date: 29 January 2014

Effective Date: 4 February 2014

**UNIVERSAL STOCK FUTURES CONTRACT AND DIVIDEND ADJUSTED SINGLE STOCK FUTURES CONTRACT  
(BASED ON COMPANY SHARES, DEPOSITARY RECEIPTS AND EXCHANGE TRADED FUND SHARES)  
(EXCHANGE CONTRACT NO. 66F)**

**INTRODUCTION OF FLEXIBLE UNIVERSAL STOCK FUTURES CONTRACTS BASED ON CERTAIN COMPANY  
SHARES LISTED ON BORSA ISTANBUL**

### Executive Summary

This Notice informs Members of the introduction on Bclear of flexible Universal Stock Futures Contracts, denominated in Turkish Lira, based on certain company shares listed on Borsa Istanbul with effect from Tuesday 4 February 2014.

## 1. Introduction

1.1 On and from Tuesday 4 February 2014, the Exchange intends to make available, via Bclear, flexible Universal Stock Futures Contracts ("flexible USFs"), denominated in Turkish Lira, based on certain company shares listed on Borsa Istanbul. This Notice provides Members with the following information:

- (a) details of the flexible USFs to be made available through Bclear;
- (b) requirement for the relevant Clearing Members to set-up APS Bank Accounts with ICE Clear Europe Ltd and the setting up of an account within the local settlement system;
- (c) trading licenses;
- (d) minimum volume requirements;
- (e) business days and hours;
- (f) fees;
- (g) Settlement Process for physically delivered contracts;
- (h) member testing; and
- (i) the regulatory position in the United States.

The Euronext Derivatives Markets comprise the markets for derivatives operated by Euronext Amsterdam, Euronext Brussels, Euronext Lisbon, Euronext Paris and LIFFE Administration and Management, referred to respectively as the Amsterdam, Brussels, Lisbon, Paris and London markets. Euronext is part of the NYSE Euronext group.

## **2. Details of the flexible USFs to be made available through Bclear**

- 2.1 On and from Tuesday 4 February 2014, the Exchange intends to make available through Bclear flexible USFs under the terms of Exchange Contract No. 66F on the company shares set out in Attachment 1 to this Notice.
- 2.2 The updated List of Contract Details in respect of Exchange Contract No. 66F will be made available in the London Market Handbook on the NYSE Euronext website ([www.nyx.com/londonmarkethandbook](http://www.nyx.com/londonmarkethandbook)) in due course. Summary Contract Specifications for the flexible USFs can be found in Attachment 2 to this Notice.

## **3. Requirement for relevant Clearing Members to set up APS Accounts with ICE Clear Europe Ltd and the setup of an account within the local settlement system**

- 3.1 Clearing Members wishing to clear flexible USFs based on the company shares listed on Borsa Istanbul need to ensure that they have set up an APS Bank Account in Turkish Lira prior to clearing the contracts. Clearing Members that have not set up relevant APS Bank Accounts will **not** be able to clear the flexible USFs based on the company shares listed in Attachment 1 to this Notice. Clearing Members should ensure that the appropriate accounts are in place to clear these contracts.
- 3.2 More information can be found on the ICE Clear Europe website at: [http://www.theice.com/clear\\_europe\\_treasury.jhtml](http://www.theice.com/clear_europe_treasury.jhtml) or contact ICE Clear Europe's Treasury Team at [iceeutreasury@theice.com](mailto:iceeutreasury@theice.com) or +44 (0)20 7429 4580.
- 3.3 Clearing Members will also be required to set up the relevant accounts within the local settlement system, i.e. appoint a local settlement agent, if they do not already have one, in order to complete delivery of shares resulting from the delivery of physically delivered USFs based on the company shares listed on Borsa Istanbul.

## **4. Trading licenses**

- 4.1 In addition to the requirements outlined in Section 3 above, Members wishing to submit business in the flexible USFs based on the company shares listed on Borsa Istanbul via Bclear will need to have a valid Turkish Lira trading subscription (TFO). Members wishing to obtain this subscription should contact the NYSE Liffe Membership Operations team on [membershipops@nyx.com](mailto:membershipops@nyx.com).
- 4.2 To clear trades, Members will require the relevant clearing status (GCM or ICM) and access to UCP.
- 4.3 To claim trades only, Members will need to have the appropriate entitlement set up in the membership database and access to the Universal Clearing Platform ("UCP").

## **5. Minimum volume requirements**

- 5.1 There are no minimum volume requirements for the reporting of flexible USFs on Bclear.

## **6. Business days and hours**

- 6.1 Business in the flexible USFs based on the company shares listed on Borsa Istanbul can be reported via Bclear on those market days on which Borsa Istanbul and the Exchange are open for business. A list of days in 2014 where business in the flexible USFs will **not** be capable of being reported via Bclear, can be found in Attachment 3 to this Notice.
- 6.2 Members may report business in the flexible USFs to the Exchange via Bclear between 08:00 and 18:00 hours (London time). In respect of a contract on its Last Trading Day, reporting hours will end at the time trading ceases in such contract, as set out in the relevant Contract Specification and in Attachments 2 to this Notice.
- 6.3 The reporting arrangements explained in Section 12 of Book II of the Rules and Section 6 of this Notice will, of necessity, determine the days and hours during which the relevant transactions may be undertaken.

## **7. Fees**

- 7.1 Business reported via Bclear will be charged on a per lot, per side basis and will be subject to a fee cap per transaction. For trades with multiple legs, each leg is charged separately, up to the fee cap (i.e. for these purposes, each leg is treated as a separate transaction). Details of the fees can be found in Attachment 4 to this Notice.

## **8. Settlement Process for physically delivered contracts**

- 8.1 Members should note that the Settlement Day for the physically delivered contracts is E+3 where E is the expiry day of the physically delivered futures contract.
- 8.2 In addition, those potential users of the physically delivered USFs based on the company shares listed on Borsa Istanbul who may become involved in **onward** delivery liabilities on Borsa Istanbul and therefore be subject to Borsa Istanbul penalties, should familiarise themselves and their clients with Borsa Istanbul's settlement procedures and deadlines. In particular, they should familiarise themselves with the penalties imposed by Borsa Istanbul in the event of a failure to deliver shares resulting from a transaction on that market by the settlement deadline; more information can be found on the Borsa Istanbul website. For the avoidance of doubt, Borsa Istanbul's settlement regime is not applicable to the delivery of shares resulting from the delivery of the physically delivered USFs.

## **9. Member Testing**

- 9.1 Member testing is strongly recommended for all Members who intend to trade the flexible USFs. Members are advised that the contracts are currently available in the Customer Test environment. For further information please contact the NYSE Liffe CTSG Helpdesk on +44 (0)20 7655 7110 ([ctsg@nyx.com](mailto:ctsg@nyx.com)).

**10. U.S. Regulatory Position**

10.1 U.S. persons are not permitted to engage in Universal Stock Futures transactions.

For further information in relation to this Notice, Members should contact:

Equity Derivatives Product Management +44 (0)20 7379 2200 [equities@nyx.com](mailto:equities@nyx.com)

**List of Company Shares listed on Borsa Istanbul**

Company Name	ISIN Code	Flexible Universal Stock Futures Contract Codes	
		CSH	PHY
Akbank TAS	TRAAKBNK91N6	ZBF	ZBK
Tupras Turkiye Petrol Rafinerileri AS	TRATUPRS91E8	ZQF	ZQK
Turk Telekomunikasyon AS	TRETTLK00013	UQF	UQK
Turkcell Iletisim Hizmet AS	TRATCELL91M1	IIF	IIK
Turkiye Garanti Bankasi AS	TRAGARAN91N1	YQF	YQK
Turkiye Halk Bankasi AS	TRETHAL00019	YRF	YRK
Turkiye Is Bankasi AS	TRAISTR91N2	YTF	YTK
Turkiye Vakiflar Bankasi TAO	TREVKFB00019	VBF	VBK
Yapi ve Kredi Bankasi AS	TRAYKBNK91N6	YYF	YYK

KEY:

CSH - Cash Settled contracts

PHY - Physical Delivery contracts

**Flexible Universal Stock Futures Contracts on Turkish underlyings**  
**Summary Contract Specification**

<b>Underlying Exchange</b>	Borsa Istanbul
<b>Contract Size</b>	100
<b>Expiry Months</b>	Flexible out to 5 years
<b>Quotation</b>	TRY
<b>Trading Tick Size</b>	0.0001
<b>Trading Tick Value</b>	TRY 0.01
<b>EDSP Tick Size</b>	0.0001
<b>Last Trading Day (“LTD”)</b>	Expiry Day <sup>1</sup>
<b>Contract Standard</b>	Cash and Physical delivery. Physical delivery - Delivery will be 100
<b>Trading Hours</b>	08:00 – 18:00 hours
<b>Time trading ceases on LTD</b>	15:30 hours
<b>NYSE Liffe Market</b>	London
<b>Trading Platform</b>	Bclear
<b>Clearing</b>	ICE Clear Europe

*All times are London times*

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<sup>1</sup> If the Expiry Day has been designated by the Exchange as a half day then the market day immediately preceding that day shall become the LTD.

**Availability of flexible USFs based on the company shares  
listed on Borsa Istanbul in 2014\***

<b>Dates unavailable for reporting via Bclear</b>
Friday 18 April 2014
Monday 21 April 2014
Wednesday 23 April 2014
Thursday 1 May 2014
Monday 19 May 2014
Monday 28 July 2014
Tuesday 29 July 2014
Wednesday 30 July 2014
Friday 3 October 2014 (early close <sup>2</sup> )
Monday 6 October 2014
Tuesday 7 October 2014
Tuesday 28 October 2014 (early close <sup>2</sup> )
Wednesday 29 October 2014
Wednesday 25 December 2014
Thursday 26 December 2014

\*Details of the trading availability of the contracts on 24 and 31 December 2014 will be published nearer to the time.

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<sup>2</sup> On days when Borsa Istanbul is open for half days the USFs will close early in line with the underlying market close.

**Fee Schedule**

	Per lot fee			Fee caps			
	Trading		Cash Settlement	Published		Unpublished	
	Exchange and Clearing fee Published	Exchange and Clearing fee Unpublished		Exchange and Clearing fee	Cash Settlement	Exchange and Clearing fee	Cash Settlement
<b>Futures</b>	£0.40	£0.48	£0.20	£750	£750	£900	£750