

## MARKET MAKER AGREEMENT

The following agreement including any specifications which have been made by the parties with regard to Market Maker obligations in accordance with this Market Maker Agreement, the schedule of fees and the list of Market Maker accounts (the “Agreement” or “Market Maker Agreement”) is hereby entered into by and between [Name of MM], (the “MM”), and Nasdaq Stockholm AB (the “Exchange”) regarding the MM’s aim of acting as Market Maker in accordance with the Exchange Rules and the terms and conditions set forth in this Agreement.

This Market Maker Agreement consists of this document and, as applicable, the relevant appendices for (i) Market Maker commitment, (ii) Market Maker obligations in qualifying subclasses, (iii) Market Maker obligations in non-qualifying subclasses, (iv) classification of qualifying subclasses, and (v) classification of non-qualifying subclasses. Clauses and terms defined in the Exchange Rules shall have the equivalent meaning in this Agreement and form an integrated part hereto, unless otherwise expressly stated.

### 1. DEFINITIONS

The following terms when used in this Agreement shall have the meanings set forth below. Any term not defined in this Agreement shall be deemed to have the meaning set out in the Exchange Rules.

“Exchange Rules” means the rules and regulations of Nasdaq Derivatives Markets issued by the Exchange and applicable from time to time and governing the Exchange’s activities and the legal relationship between the Exchange and Exchange Members.

“*Market Maker commitments*” means the specification of the MM’s obligations regarding quotes in one or more series pursuant to this Agreement which the parties have agreed upon and which have been included in one or more separate documents appended to this Agreement.

“*Quotes*” means the binding placement by the MM of bid and ask prices with the Exchange regarding Instruments in a particular Series which are provided by the MM in accordance with this Agreement.

“*Continuous provision of quotes*” means the provision of bid and ask quotes occurring continuously and without demand.

“*Normal trading hours*” means the time during which the underlying cash market is open for trading and the underlying index is calculated. Hence, Pre- and Post-trade sessions are not considered normal trading hours whereby the MM has no quoting obligations during these periods.

“*Provision of quotes on demand*” means the provision of bid and ask quotes which is to be made within a stated period of time following demand and which is to be valid for a stated period of time.

“*Request for Quote on Tailor made Combination*” means the provision of bid and ask quotes which is to be made within a stated period of time following the request and which is to be valid for a stated period of time with a specified maximum spread and minimum number of contracts.

In the performance of Market Maker obligations, the term “*commencement and termination of trading*” means the time described under “*Normal trading hours*”. (Applicable trading times for the respective instruments are set forth in the Exchange Rules).

“Instrument *Series which are at-the-money*” means the options series with the exercise price which is closest to the underlying instrument’s (Contract Base’s) price on the given day or the corresponding future’s price. Information regarding which series are at-the-money may be obtained upon request from the Exchange.

“Instrument *Series which are in-the-money*” means call option series with exercise prices which are lower than the call option series with the same underlying instrument and expiration month which is at-the-money as well as put option series with exercise prices which is higher than the put option series with the same underlying instrument and expiration month which is at-the-money. In this context, the call option series with the exercise price of which is closest to the at-the-money series exercise price shall be deemed to be that which is closest to the in-the-money series. The equivalent shall apply to put option series.

“Instrument *Series which are out-of-the-money*” means call option series with exercise prices which are higher than the call option series with the same underlying instrument and expiration month which is at-the-money as well as put option series with exercise prices which are lower than the put option series with the same underlying instrument and expiration month which is at-the-money. In this context, the call option series with the exercise price of which is closest to the at-the-money series exercise price shall be deemed to be that which is closest to the out-of-the-money series. The equivalent shall apply to put option series.

“*Spread requirements*” means the greatest difference between the price in put orders (ask price) and the price in call orders (bid price) which is quoted by the MM in accordance with this Agreement and which shall be specified in each Market Maker commitment. In the event the spread requirement varies, the requirement shall be specified, unless otherwise stated in the MM’s undertaking, in the form of a table in which the bid price shall determine the size of the spread requirement. Where the bid price in this case could result in several alternative spread requirements, the highest spread requirement shall apply.

## **2. MARKET MAKER COMMITMENTS**

The MM agrees to provide bid and ask quotes on its own account regarding various Exchange Listed Instruments in accordance with this Agreement. The MM’s commitments shall be set forth more specifically in separate documents, designated Market Maker commitments.

There are two different designated Market Maker commitments, one regarding qualified subclasses and one regarding non-qualified subclasses. The MM can undertake either one or both. The respective commitment shall be specified in the Market Maker commitment and confirmed by both parties and shall be attached to this Agreement:

### **1. Qualifying subclasses:**

For the monitoring of the MM’s effective compliance with the requirements as set out in the relevant Market Maker commitments and the relevant appendices for Market Maker obligations in qualified subclasses, and for determining if the MM shall be entitled to Market Maker fees in accordance with the Market Maker Fee List.

## 2. Non-qualifying subclasses:

For the monitoring of the MM's effective compliance with the requirements as set out in the relevant Market Maker commitments and the relevant appendices for Market Maker obligations in qualified subclasses, the MM shall have the right to undertake Market Maker commitments in non-qualifying subclasses.

The MM agrees to:

- (i) continuously provide bid and ask quotes for particular underlying instruments in the manner prescribed in the specification of the Market Maker commitments;
- (ii) upon demand by the Exchange, provide bid and ask prices for particular underlying instruments in the manner prescribed in the specification of the Market Maker commitments; and
- (ii) upon request, provide bid and ask prices for Tailor-Made Combinations for particular underlying instruments in the manner prescribed in the specification of the Market Maker commitments.

Prices quoted by the MM during a trading day are valid no later than the close of trading on the day on which the quote was made at which time such prices shall cease to be valid.

The MM's obligation to provide prices in accordance with this section shall relate to the number of contracts which shall be specified in the Market Maker commitments attached to this Agreement. The bid and ask prices which the MM provides from time to time in respective series in accordance with this section may deviate from each other by the amount specified in the Market Maker commitments attached to this Agreement.

The MM shall provide prices in the Exchange's electronic trading system or in a manner agreed upon between the Exchange and the MM.

The Exchange shall have the right, during Stressed Market or in Exceptional circumstances, to authorise deviations from the applicable requirements.

### Stressed Market conditions

Stressed Market conditions are declared by the Exchange which can be applied for one or several shares and share indices. Stressed Markets condition applies automatically and immediately after a volatility interruption triggered by a Circuit Breaker as defined in the Genium INET Market Model document for Nordic Equity Derivatives.

The MM is entitled to an additional rebate in accordance with the Market Maker Fee List for quoting during Stressed Market conditions. The quoting performance during Stressed Market conditions is measured separately and does not contribute to the monthly quoting performance. For further details on the market maker obligations during stressed markets, please see the Appendix – Market Maker Obligations.

### Exceptional Circumstances

Exceptional Circumstances is a condition declared by the Exchange which can be applied for a specific market maker, all market makers or one or several market segments. The Exceptional Circumstances will be treated on a case by case basis in accordance with Article 3 and 4 of the Commission Delegated Regulation (EU) 2017/578 of 13 June 2016 supplementing Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 ("MiFID II"). During Exceptional Circumstances quoting obligations are temporarily disabled. For further details regarding Exceptional Circumstances please see the appendix Market Maker obligations.

### **3. TERMS AND CONDITIONS FOR TRADING**

This Agreement shall only be valid following connection of the MM to the Exchange as Exchange Member. The Exchange Rules together with the Exchange Member Agreement shall also apply to contracts which the MM enters into in its capacity as Market Maker in accordance with this Agreement. As set forth in the Exchange Member Agreement, the MM consents to the Exchange Rules and agrees to be bound by the terms and conditions contained therein. The MM's trading of instruments shall, consequently, take place in accordance with the Exchange Rules.

If the MM is an NCM, the NCM must inform the Clearing Member it has entered into a Clearing Agreement with of the Market Maker commitments under this Agreement.

### **4. SUPERVISION**

Supervision of the MM's performance to determine the effective compliance of the MM's obligations and to assess whether the MM is eligible to any rebate under this agreement is carried out continuously by the Exchange and compiled on a daily basis.

To be considered in the measurement above, the bid and ask prices provided by the MM shall be entered by using the mass quote message. For index futures also the single order message will be valid.

The Exchange automatically flags market making quotes entered via the mass quote message with the relevant capacity code. Using the single order message for index futures, the MM shall flag its market making quotes with the relevant capacity code in order to distinguish those quotes from other proprietary flows. Only quotes flagged in this manner will be considered in the measurement.

### **5. FEES**

The Exchange applies a reduced fee system for transactions executed by the MM in the performance of its Market Maker commitments regarding qualifying subclasses. The applicable fees are set forth in the Market Maker Fee List in effect at any given time. An excerpt regarding the fees applicable at the time of the execution of this Agreement is attached hereto.

In the event of changes in the Market Maker Fee List regarding fees applicable to the MM, changes shall be effective no earlier than one month following written notice by the Exchange to the MM of the contents of such changes.

### **6. ACCOUNTS**

The MM shall open one or several special Market Maker accounts with the Exchange which shall be used for all of the MM's transactions as Market Maker. Each Market Maker account shall contain the principal customer's prefix as set forth in the Exchange Member Agreement and shall contain the symbols "MM".

All transactions which the MM executes in its capacity as Market Maker shall be executed on its own account setting forth the relevant Market Maker account. The MM shall, consequently, not use its own Market Maker account on behalf of customers.

The Market Maker accounts which the MM opens with the Exchange in connection with the execution of this Agreement shall be listed in a document attached to this Agreement. The opening of additional Market Maker accounts or the closing of Market Maker accounts must be requested in writing, be approved by the Exchange, and added to the appended list of Market Maker accounts.

## **7. MARKET MAKER CONTACT PERSON AT MM**

The MM is subject to legislative surveillance, compliance and audit obligations enabling the MM to monitor its market making activity; and the MM shall in this regard have appropriate and effective resources in place.

The MM shall appoint one or more persons who shall be responsible for Market Maker functions on a continuous basis during trading hours. The names of the person or persons who shall act as Market Maker contact persons on behalf of the MM shall be reported to the Exchange and such persons shall receive a specific access authorisation in the Exchange's electronic exchange trading system.

The MM shall ensure that the Market Maker contact persons possess adequate knowledge of the options and futures markets and that a sufficient number of Market Maker contact persons are appointed to enable the MM to fulfil its obligations under this Agreement.

## **8. RECORD KEEPING**

The MM shall maintain records of its quotes and transactions relating to its market making activities. Said records shall be made available to the Exchange and the Exchange's relevant competent authority upon request.

## **9. BREACH OF PERFORMANCE OF MARKET MAKER COMMITMENTS**

In the event of a breach of performance by the MM, including failure by the MM to provide quotes, failure to quote the agreed upon number of contracts in the classes where it is so required, the failure to quote with the agreed upon spread or failure to re-quote within the prescribed period of time, the Exchange shall have the right to:

- i) charge additional fees according to the from time to time applicable Market Maker Fee List, or, refuse to apply the reduced fee system which would otherwise apply to Market Makers. In such cases, the customer fee calculation shall be applied during the trading day during which the quotation breach is pending; and
- ii) terminate this Agreement effective immediately where the MM breaches its performance obligations on several occasions.

The measures listed above applied by the Exchange shall be proportional to the MM's breach of performance. Upon a determination of suitable measure, the Exchange shall take into consideration the relevant breach of performance itself (type, duration and size) and whether such was preceded by previous breaches of performance.

## **10. AMENDMENTS**

Any amendments or modifications of this Market Maker Agreement, excluding specified Market Maker commitments, the Market Maker Fee List, and the list of Market Maker Accounts shall be made pursuant to the Exchange Rules. Under all circumstances, the Exchange has the sole right to make amendments and modifications of this Market Maker Agreement, including all appendices, if required by legislation or rules and regulations issued by any country, state or governmental body as well as applicable case law.

Any amendments or modifications of specified Market Maker commitments, the Market Maker Fee List, and the list of Market Maker Accounts shall be made pursuant to sections 2, 5 and 6 of this Agreement.

## **11. TERM OF AGREEMENT**

This Agreement commences on the date it has been executed by both parties and shall

continue in full force and effect until terminated by either party following one month's notice of termination.

Notice of termination of this Agreement shall be made in writing.

In the event that a party should materially fail to fulfil its obligations under this Agreement the other party may terminate this Agreement if the breach continues uncured for a period of five (5) days after the party claiming breach delivers notice of such breach to the other party.

In the event that a party liquidates, ceases to do business or becomes insolvent, the other party shall have the right to terminate this Agreement effective immediately.

The MM's obligations to quote prices in accordance with the Market Maker commitments shall commence at the time set forth in each Market Maker commitment.

## **12. OTHER AGREEMENTS**

The Exchange Rules and this Agreement shall solely govern the parties' obligations in respect of the MM's connection to the Exchange as a Market Maker and replace any and all previous agreements between the parties in this context.

## **13. LIMITATION OF LIABILITY**

Except with regard to any claims arising out of a party's gross negligence or wilful misconduct, neither party shall be liable to the other party for any other reason.

Neither party shall be liable to the other party for any loss of profits, revenues, or trades or for any indirect, special, punitive, consequential or incidental loss or damage of any nature arising from any cause whatsoever, even if a party has been advised on the possibility of such damage.

The limitations in this section will not apply to the extent prohibited by law.

## **14. FORCE MAJEURE**

Either party shall be excused from performance of its obligations undertaken in this Agreement to the extent and for such time period as prevented or hindered from performing by circumstances beyond its reasonable control, including acts of war, electric power disruptions, telecommunications disruptions, fire, water, strikes, lockouts, boycotts, blockades or other similar circumstances beyond such party's control (force majeure). The reservation regarding strikes, lockouts, boycotts and blockades shall apply even where a party itself is the object of such action or causes such action to be taken.

Where a party is prevented from performing its obligations as a consequence of circumstances set forth in this section, performance shall be postponed until the cause of the prevention no longer exists.

## **15. ARBITRATION AND GOVERNING LAW**

Any dispute, controversy or claim arising out of or in connection with this Agreement, or the breach, termination or invalidity thereof, shall be finally settled by arbitration in accordance with the Rules for Expedited Arbitrations of the Arbitration Institute of the Stockholm Chamber of Commerce. The seat of arbitration shall be Stockholm. The language to be used in the arbitral proceedings shall be English.

This Agreement shall be governed by the laws of Sweden excluding its conflict of laws.

## 16. MISCELLANEOUS

Section headings are included for convenience only and are not to be used to construe or interpret this Agreement.

Except where otherwise provided in this Agreement, any waiver or failure of a party in insisting upon the performance of any provisions of this Agreement shall not be construed as a waiver or relinquishment of that party's rights to future performance of such provision and the other party's obligation in respect of such future performance shall continue in full force and effect. Any waiver must be made in writing. If any part of this Agreement that is not fundamental is found to be illegal or unenforceable, this will not affect the validity and enforceability of the remainder of this Agreement.

The Exchange may disclose that MM has assumed the obligations of a Market Maker hereunder. The Exchange may also disclose the content of this Agreement to any competent authority.

All notices and other communications shall be in writing. All notices shall be deemed to have been duly given (i) upon actual receipt (or date of first refusal); (ii) upon constructive receipt (or date of first refusal) three (3) days after being sent by certified mail, return receipt requested.

Except as expressly provided herein, neither party may assign or transfer this Agreement (including by operation of law), or any of its rights or obligations, to a third party without the prior written consent of the other party, such consent not to be unreasonably withheld, conditioned or delayed; provided, however, that the Exchange shall be entitled to assign or transfer (including by operation of law) any rights or obligations, in whole or in part, to an Affiliate or in connection with its reorganization or any other business transaction of a similar nature, in each case, without the prior written consent of MM.

Except as expressly provided herein, this Agreement is for the sole benefit of the parties to this Agreement and their permitted successors and assigns and nothing in this Agreement, express or implied, is intended to or shall confer upon any other person or entity any legal or equitable right, benefit or remedy of any nature whatsoever.

This Agreement may be executed in one or more counterparts, each of which shall be considered an original. Each party agrees that an electronic copy shall be considered and treated like an original of this Agreement, and that an electronic or digital signature shall be as valid as a handwritten signature.

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*Place and date of execution*

*Place and date of execution*

(Name of the MM)

Nasdaq Stockholm AB

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*Signature*

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*Signature*

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*Name (printed)*

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*Name (printed)*