
**APPENDIX B: OBLIGATIONS IN QUALIFYING
SUBCLASSES OF SWEDISH WEEKLY OPTIONS**

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1. NORMAL MARKET CONDITIONS

1.1 Continuous Provision of Quotes

The MM shall continuously provide bid and ask quotes in accordance with the conditions set out below in Sections 1.3–1.7:

1. during at least eighty per cent (80%) of normal trading hours including periods with Stressed Market Conditions, calculated as a monthly average per underlying instrument; and
2. during at least fifty per cent (50%) of normal trading hours including periods with Stressed Market Conditions, calculated for each trading day per underlying instrument.

1.2 Request-For-Quote in Tailor-Made Combinations

The MM shall respond to fifty per cent (50%) of the total number of quote requests in eligible Combinations, calculated for each calendar month per underlying instrument, by providing bid and ask quotes in accordance with the following:

1. The MM shall respond by providing quotes within twenty (20) seconds after the relevant quote request.
2. The MM shall maintain quotes for a duration of at least twenty (20) seconds following a quote request. The MM may update quoted bid and ask prices during this time. If a quote is partially or fully traded before the twenty (20) seconds have elapsed, the obligation to respond to the relevant quote request will be deemed fulfilled.
3. If quotes are re-requested in the same Combination after the twenty (20) second holding time, a new quote shall be provided and again maintained for twenty (20) seconds.
4. A Combination shall be quoted with the same number of lots as the minimum outright quote size defined for the relevant underlying as set out in Section 1.6.
5. Combination bid and ask prices shall be quoted in accordance with the spread requirements defined in Section 1.7.
6. Limitations:
 - (i) A floor is applied where the obligations for a month per underlying instrument are deemed to be met if eight (8) or less quote requests were observed during the month.
 - (ii) A per month and underlying instrument cap is applied where a maximum of one hundred (100) quote requests are counted of which fifty per cent (50%) must be answered. For OMXS30, the cap is two hundred (200) quote requests.
 - (iii) The MMs obligation to respond to quote requests in Combinations is limited to Combinations that meet all the following conditions:

- (A) The Combination is a standard strategy, as determined by the Exchange from time to time and specified in the Market Model Nasdaq Derivatives Markets.
- (B) Each component of the Combination is an instrument Series that is covered by the MM's continuous quotation requirements as defined in Sections 1.3–1.5.
- (C) No component of the Combination is an instrument Series where the MM is only required quote an ask price and no bid, in accordance with Section 1.7.
- (D) Quote requests issued during the first twenty (20) minutes of normal trading hours on each trading day, will not be counted by the Exchange for the purpose of determining the MM's effective compliance with the requirements defined in this Section 1.2.

1.3 **Number of Underlying Instruments**

The MM shall in its undertaking include underlying instruments chosen by the MM.

1.4 **Number of Expiration Weeks**

The MM shall provide quotes in all Expiration Weeks.

1.5 **Number of Instrument Series**

1.5.1 Weekly Options on Share Indices

For instrument Series with expiration day within two (2) weeks, the MM shall provide quotes in sixteen (16) instrument Series per Expiration Week for the selected underlying instruments. The MM undertakes to quote pursuant to the following: eight (8) call option instrument Series, eight (8) put option instrument Series. The option instrument Series that shall be quoted for each term are the instrument Series which is at-the-money, the two instrument Series which are closest to being in-the-money, and the five instrument Series which are closest to being out-of-the-money. In cases where instrument Series are not available for trading according to the above, the eight instrument Series nearest at-the-money shall be quoted for each term.

For all other instrument Series, the MM shall provide quotes in twenty-six (26) instrument Series per Expiration Week for the selected underlying instruments. The MM undertakes to quote pursuant to the following: thirteen (13) call option instrument Series, thirteen (13) put option instrument Series. The option instrument Series that shall be quoted for each term are the instrument Series which is at-the-money, the four instrument Series which are closest to being in-the-money, and the eight instrument Series which are closest to being out-of-the-money. In cases where instrument Series are not available for trading according to the above, the thirteen instrument Series nearest at-the-money shall be quoted for each term.

1.5.2 Weekly Options on Shares

The MM shall provide quotes in ten (10) instrument Series per Expiration Week for the selected underlying instruments. The MM undertakes to quote pursuant to the following: five (5) call option instrument Series, five (5) put option instrument Series. The option

instrument Series that shall be quoted for each term are the instrument Series which is at-the-money, the one instrument Series which are closest to being in-the-money, and the three instrument Series which are closest to being out-of-the-money. In cases where instrument Series are not available for trading according to the above, the seven instrument Series nearest at-the-money shall be quoted for each term.

On the Expiration Day for a certain instrument Series, the quoting obligation in accordance with the preceding paragraphs shall relate to instrument Series of all listed Expiration Weeks with the shortest Term, but without regard to the instrument Series which has the current day as the Expiration Day.

1.6 **Number of Contracts (Minimum Quote Size)**

Each individual bid or ask price quoted by the MM shall be for at least the required number of Contracts, as determined by the Exchange from time to time and specified per underlying instrument in Appendix A for classification of qualifying subclasses.

During Stressed Market Conditions, the required number of Contracts in individual bid and ask quotes will be halved (rounded up where applicable) for the concerned underlying instrument(s).

1.7 **Spread Requirements**

The same spread requirements as for market maker commitments in regular qualifying subclasses applicable to options with one (1) month or less to expiration, are used for the respective corresponding weekly option classes.

Details on the available spread tables that define maximum bid-ask spread for different price ranges, are specified in Appendix B – Market Maker Obligations in Qualifying Subclasses of Swedish Equity Derivatives.

Information on which spread table that applies for options per underlying Instrument, as determined by the Exchange from time to time, is specified in Appendix A – Classification of Qualifying Subclasses of Swedish Equity Derivatives.

For outright instrument Series, the applicable spread will be determined by the quoted bid price.

For Combinations, the applicable spread will be determined by the quoted price that is closest to zero (0); for negative prices, the max spread applicable for its absolute value will be used.

No bid price is required by the MM in order to fulfil the spread requirements in a certain instrument Series, if the quoted ask price from the MM in that instrument Series is at or below the smallest defined spread in the applicable spread table.

During Stressed Market Conditions, the spread requirements will double for all instrument Series based on the concerned underlying instrument(s).

In case the price, volatility and/or liquidity for an underlying instrument change significantly, the Exchange may widen the spread requirements by assigning a different spread table. Such change can be implemented with shorter notice, at the earliest as of the next trading day, than the required thirty (30) days in advance notification regarding changes to the obligations in this Appendix.

2. STRESSED MARKET INCENTIVE

The MM is entitled to an additional rebate in accordance with the Market Maker Fee List if during Stressed Market Conditions and for the concerned underlying instrument(s), the MM continuously provide quotes:

1. During at least eighty per cent (80%) of the time with Stressed Market Conditions, calculated as a monthly average per underlying instrument.
2. In accordance with the quotation requirements set out in Sections 1.3–1.7.

3. EXCEPTIONAL CIRCUMSTANCES

Exceptional Circumstances is a market condition declared by the Exchange due to an extreme market situation as defined in Article 3 of Commission Delegated Regulation (EU) 2017/578. See also Section 2.6 of the Exchange Rules and the Market Model Nasdaq Derivatives Markets for further details.

During Exceptional Circumstances, temporary deviations from the obligations stated in this Appendix is allowed. Exceptional Circumstances will be treated on a case-by-case basis. During Exceptional Circumstances, quoting obligations are temporarily disabled.

Exceptional Circumstances can be applied for:

1. one or several market segments;
2. for all Market Makers; or
3. for a specific Market Maker.

For a specific Market Maker:

An MM can apply for Exceptional Circumstances due to its inability to maintain prudent risk management practices pursuant to Article 3 of the Commission Delegated Regulation (EU) 2017/578.

In case an MM applies for Exceptional Circumstances, it must submit a prompt notice of its inability to maintain prudent risk management practices to the Exchange. The notice shall be sent to tradingoperations@nasdaq.com and shall outline the issue in detail and when it is expected to be resolved. Details shall for instance include whether the issue is of internal character or if it is related to an external supplier whereby the supplier shall be named. The MM must also submit a prompt notice when the issues have ended.

The Exchange may require the MM to submit additional details evidencing its inability to maintain prudent risk management practices.

Based on the provided evidence, the Exchange will on a case-by-case basis decide on whether the request shall result in Exceptional Circumstances whereby the MM's quoting obligations are temporarily disabled.

By default, declared Exceptional Circumstances are valid for one day. If the issues persist for more than one day, the MM must notify the Exchange each day separately.

4. MISCELLANEOUS

4.1 Validity:

The obligations defined in this Appendix are valid until further notice. Market Makers shall be notified 30 days in advance regarding changes to the obligations in this Appendix.

4.2 Monitoring:

The Exchange shall monitor the MM's effective compliance with the requirements in this Appendix and determine if the MM shall be entitled to Market Maker fees in accordance with the Market Maker Fee List based on the above required number of Contracts to be quoted for each underlying instrument.

4.3 Recommencement of obligations:

The MM shall resume trading as soon as possible in conjunction with the recommencement of trading after Suspension of Trading, an extraordinary closure or after a period with Exceptional Circumstances and following Exchange Transactions.

4.4 Period of validity of quotes:

The quotes are valid up to the making of a new quote with respect to the same instrument Series or until the revocation which is immediately followed by a new quote regarding the same instrument Series.

