
**APPENDIX B: MARKET MAKER OBLIGATIONS IN QUALIFYING
SUBCLASSES OF SWEDISH EQUITY DERIVATIVES**

TABLE OF CONTENTS

1.	GENERAL MARKET MAKER OBLIGATIONS.....	3
2.	ADDITIONAL INCENTIVES	6
3.	EXCEPTIONAL CIRCUMSTANCES	7
4.	MISCELLANEOUS.....	8

1. GENERAL MARKET MAKER OBLIGATIONS

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 Exchange determines the from time-to-time applicable classification of Swedish shares and share indices in four (4) classes and for each underlying instrument, the required number of Contracts to be quoted. The classes are designated as Class S1, Class S2, Class S3 and Class SX.

The MM, if to be defined as a Large MM, as a minimum undertakes to quote instrument Series based on a total of seven (7) underlying instruments. From these, the MM shall select four (4) underlying instruments, of which one (1) underlying instrument shall be selected from Class S1, two (2) shall be selected from Class S2, and one (1) shall be selected from Class S3. Two (2) underlying instruments from Class S2 and one (1) underlying instrument from Class S3 shall be determined by the Exchange and shall be selected to be regularly quoted by the MM. In addition, the MM may undertake to quote instrument Series based on one or more underlying instruments selected from Class SX, subject to an additional incentive as set out in section 2.2. The MM, if to be defined as a Small MM, shall in its undertaking include underlying instruments chosen by the MM.

The MM, if having a Large MM undertaking, may change its selection of underlying instruments in accordance with the prior paragraph, to take effect on the first trading day of a calendar month and in any case at the earliest thirty (30) days after the Exchange has received notification by the MM. Correspondingly, the MM will be notified thirty (30) days in advance regarding changes to the underlying instruments that the Exchange determines in accordance with the prior paragraph.

If the MM is prevented, due to a disruptive event outside the control of the MM and which the MM could not reasonably have foreseen or prevented by reasonable precaution, from executing hedging transactions in an underlying instrument part of its undertaking, the Exchange may allow the MM to replace the concerned underlying either by making a new selection, or request the Exchange to make a new determination, in accordance with the procedure set out in this Appendix, without being subject to the

thirty (30) days' notice period. Such disruptive events, as determined by the Exchange, may include, but are not limited to, an extraordinary deterioration in the available liquidity in the concerned shares, or inability for the MM to borrow or maintain borrowing of, the concerned shares. The MM shall upon request provide the Exchange with details evidencing its inability to execute hedging transactions in the concerned shares.

1.4 **Number of Expiration Months**

The MM shall provide quotes in instrument Series of the five (5) first listed Expiration Months regarding Class S2, Class S3 and Class SX underlying instruments. Regarding Class S1 underlying instruments, the MM shall provide quotes in instrument Series of the six (6) first listed Expiration Months.

Where the underlying instrument is a stock index, the five (5) or six (6) first listed Expirations Months shall be determined without regard to instrument Series which has the current day as the Expiration Day.

1.5 **Number of Instrument Series**

The MM shall provide quotes in fifteen (15) instrument Series per Expiration Month for the selected underlying instruments. The MM undertakes to quote pursuant to the following: seven (7) call option instrument Series, seven (7) put option instrument Series and one (1) forward/future. The option instrument Series that shall be quoted for each Expiration Month are the instrument Series which is at-the-money, the two instrument Series which are closest to being in-the-money, and the four 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 Expiration Month.

The MM may replace its quoting obligation in the relevant forward/future by providing additional quotes in options. The MM shall then provide quotes in one (1) additional out-of-the-money call option instrument Series and one (1) additional out-of-the-money put option instrument Series for each Expiration Month where the MM has obligations.

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.

Where the underlying instrument is an individual stock, depositary receipt or exchange traded fund; the required number of Contracts will be halved (rounded up where applicable) for instrument Series which has the current day as the Expiration Day.

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

Details on the available spread tables that define maximum bid-ask spread for different price ranges and expiration months, are specified below in Schedules B1 and B2. For Combinations, the values defined for far months are always used.

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.

Information on which spread table that applies for index futures and single stock futures/forwards, respectively, is specified below in Schedule B2.

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.

Where the underlying instrument is an individual stock, depositary receipt or exchange traded fund, the spread requirements will double for instrument Series which has the current day as the Expiration Day.

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 changes 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. ADDITIONAL INCENTIVES

2.1 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.

2.2 **Product growth segment incentive**

The MM is entitled to an additional rebate in accordance with the Market Maker Fee List, regarding the respective underlying instruments selected from class SX that have been quoted in accordance with the requirements set out in this Appendix.

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.

3.1 **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. The MM shall be notified thirty (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.

SCHEDULE B1: SPREAD TABLES FOR OPTIONS

Table Id: IO1		
Months	From	Spread
First 3	0.00	1.25
First 3	5.00	2.00
First 3	10.00	3.00
First 3	23.00	3.75
First	30.00	4.50
First 3	40.00	5.00
First 3	50.00	5.50
First 3	75.00	6.00
First 3	120.00	5.0%
Far	0.00	2.00
Far	8.00	3.50
Far	16.00	5.50
Far	32.00	6.50
Far	64.00	8.50
Far	100.00	12.00
Far	200.00	6.0%

Table Id: IO2		
Months	From	Spread
First 3	0.00	0.85
First 3	3.50	1.30
First 3	7.00	2.00
First 3	16.00	2.50
First 3	27.00	3.00
First 3	59.50	5.0%
Far	0.00	1.40
Far	5.50	2.25
Far	12.50	3.50
Far	27.00	4.50
Far	45.00	5.25
Far	105.00	5.0%

Table Id: O05		
Months	From	Spread
First 3	0.00	0.20
First 3	0.70	0.25
First 3	1.50	17.0%
Far	0.00	0.40
Far	1.10	0.45
Far	2.50	18.0%
Table Id: O10		
Months	From	Spread
First 3	0.00	0.45
First 3	1.75	0.50
First 3	4.00	13.0%
Far	0.00	0.90
Far	2.80	1.00
Far	7.00	15.0%
Table Id: O15		
Months	From	Spread
First 3	0.00	0.85
First 3	3.30	1.00
First 3	8.00	13.0%
Far	0.00	1.40
Far	3.25	2.00
Far	13.50	15.0%

Table Id: O20		
Months	From	Spread
First 3	0.00	1.00
First 3	3.00	1.30
First 3	5.00	1.50
First 3	12.00	13.0%
Far	0.00	2.00
Far	4.75	2.60
Far	8.30	3.00
Far	20.00	15.0%
Table Id: O30		
Months	From	Spread
First 3	0.00	1.40
First 3	4.00	1.70
First 3	6.70	2.00
First 3	15.50	13.0%
Far	0.00	2.70
Far	6.50	3.25
Far	11.00	3.75
Far	25.00	15.0%

Table Id: O35		
Months	From	Spread
First 3	0.00	2.00
First 3	5.50	2.40
First 3	9.40	2.75
First 3	21.50	13.0%
Far	0.00	3.80
Far	9.00	4.75
Far	15.50	5.25
Far	35.00	15.0%
Table Id: O40		
Months	From	Spread
First 3	0.00	2.50
First 3	7.00	3.00
First 3	12.00	3.50
First 3	27.00	13.0%
Far	0.00	5.00
Far	12.00	6.00
Far	19.50	7.00
Far	47.00	15.0%

Table Id: O45		
Months	From	Spread
First 3	0.01	4.00
First 3	11.00	4.50
First 3	17.50	5.00
First 3	38.50	13.0%
Far	0.00	7.00
Far	17.00	8.75
Far	28.00	10.00
Far	67.00	15.0%
Table Id: O50		
Months	From	Spread
First 3	0.00	5.20
First 3	10.00	8.50
First 3	23.50	10.50
First 3	40.00	12.00
First 3	93.00	13.0%
Far	0.00	10.25
Far	16.75	16.25
Far	38.50	20.00
Far	65.00	23.00
Far	154.00	15.0%

Table Id: O60		
Months	From	Spread
First 3	0.00	8.25
First 3	16.00	13.50
First 3	37.50	16.50
First 3	63.50	19.00
First 3	147.00	13.0%
Far	0.00	16.25
Far	26.50	26.00
Far	61.50	32.25
Far	104.00	36.75
Far	246.00	15.0%
Table Id: O90		
Months	From	Spread
First 3	0.00	100.00
First 3	200.00	125.00
First 3	500.00	160.00
First 3	1000.00	16.0%
Far	0.00	150.00
Far	400.00	225.00
Far	1000.00	300.00
Far	1500.00	20.0%
Table Id: SP1		
Months	From	Spread
First 3	0.00	1.20
First 3	1.60	75.0%
Far	0.00	2.75
Far	2.75	100.0%

Table Id: SP2		
Months	From	Spread
First 3	0.00	1.40
First 3	1.00	2.00
First 3	4.00	50.0%
Far	0.00	3.00
Far	1.50	4.00
Far	7.00	60.0%
Table Id: SP3		
Months	From	Spread
First 3	0.00	2.20
First 3	1.00	3.50
First 3	2.50	5.00
First 3	10.00	50.0%
Far	0.00	4.50
Far	1.75	7.50
Far	4.00	10.50
Far	17.50	60.0%

SCHEDULE B2: SPREAD TABLES FOR FUTURES/FORWARDS

Futures/Forwards on Shares		
Months	From	Spread
Near 3	0.00	1.25
Near 3	50.00	2.50%
Far	0.00	2.50
Far	50.00	5%

Futures on Share Indices		
Months	From	Spread
Near 3	0.00	0.50%
Far	0.00	1.00%