Service Description:

Custom Basket Calculation Service (CBCS) & Custom Basket Forwards (CBF)
## Revision History

<table>
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<tr>
<th>Date</th>
<th>Revision</th>
<th>Change Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>May 1, 2023</td>
<td>2.0</td>
<td>First new version</td>
</tr>
<tr>
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<td>2.1</td>
<td>In appendix, added Trade Types applicable to CBF</td>
</tr>
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Introduction

Custom Basket Calculation Service (CBCS)

The Custom Basket Calculation Service (CBCS) includes administration and calculation of equity baskets made up of a pre-defined selection of European listed stocks. Each basket is set up upon customer request and can therefore be tailored to individual customer needs.

Baskets can be set up as either public baskets or private baskets. For public baskets, the composition of the basket is publicly available, whereas for private baskets the composition is not publicly available but instead available only to the requesting parties.

The underlying baskets will be regulated as benchmarks under the EU Benchmarks Regulation (EU 2016/1011) (BMR), with Nasdaq Copenhagen A/S as benchmark administrator.

Custom Basket Forwards (CBF)

The Custom Basket Forwards (CBF) service includes trading and CCP clearing of forward contracts where the underlying instrument is a custom basket.

Both exchange and off-exchange (OTC) transactions are supported. All exchange transactions must be executed in accordance with the Exchange Rules of Nasdaq Derivatives Markets and are subject to immediate CCP clearing in accordance with the Clearing Rules of Nasdaq Derivatives Markets. Off-exchange transactions are executed outside the exchange and reported directly for CCP clearing in accordance with the Clearing Rules of Nasdaq Derivatives Markets.

Exchange transactions are done in forward contracts on public baskets, and off-exchange transactions can be done in forward contracts on either public or private baskets.

The trading venue is Nasdaq Stockholm AB and the CCP is Nasdaq Clearing AB (Nasdaq Derivatives Markets) for both exchange and off-exchange transactions.

The market is a block market only (i.e. no order book trading), and transactions are registered in the same way as existing equity derivatives transactions. Registration via the Nasdaq Market Operations team is supported.
Custom Basket Calculation Service (CBCS)

2.1 Service Overview

2.1.1 Custom Baskets on Request

The service includes administration and calculation of equity baskets made up of a pre-defined selection of European listed stocks. Each basket is set up upon customer request and can therefore be tailored to individual customer needs.

2.1.2 Public and Private Baskets

Baskets can be set up as either public baskets or private baskets. For public baskets, the composition of the basket is publicly available, whereas for private baskets the composition is not publicly available but instead available only to requesting member(s) and related end-clients.¹

For all baskets, the basket name (i.e. the basket code) and the basket value (i.e. basket level) will be publicly available.

2.1.3 Universe of Stocks

The universe of stocks is pre-defined and only stocks in the universe can be included in a custom basket. The universe of stocks cover stocks from the following European countries.

- Austria
- Belgium
- Denmark
- Finland
- France
- Germany
- Ireland
- Italy
- Netherlands
- Norway
- Portugal
- Spain
- Sweden
- Switzerland
- United Kingdom

The exact list of stocks from each country is available on the Nasdaq SFTP and may be updated from time to time following regular and ad-hoc reviews. Furthermore, a clearing member may request additional stocks to be added (from eligible exchanges) and Nasdaq will review such requests to see if the requested stocks fulfil the pre-set criteria for inclusion in the universe of stocks.

¹ In case of a default of a member active in Custom Basket Forwards, the CCP may however disclose certain private basket weight reports relating to the defaulting members positions to other close-out providers.
2.2 The EU Benchmarks Regulation (BMR)

Nasdaq Copenhagen A/S is the Benchmark Administrator of the custom baskets, and Nasdaq Copenhagen A/S is registered as a benchmark administrator pursuant to Article 34 of the EU Benchmarks Regulation (EU 2016/1011) (BMR) and under the supervision of the Danish Financial Supervisory Authority.

For further information, please visit:

https://www.nasdaq.com/solutions/nasdaq-benchmark-administration

2.2.1 BMR documentation

On the Nasdaq Benchmark Administration website the following documentation can be found:

- Benchmark Methodology Key Element
- Custom Basket Calculation Methodology
- Benchmark Statement – EMEA Custom Basket Family

https://www.nasdaq.com/solutions/nasdaq-benchmark-administration

2.3 Corporate Actions Handling

Corporate actions of stocks in a basket will be treated in accordance with the Custom Baskets Calculation Methodology.

When an corporate action has taken effect overnight, any changes to the basket composition will be reflected in the basket weight report file available the following morning.

Upcoming corporate actions can be found in the corporate actions file and basket weight report files on Nasdaq’s SFTP site. Note that Nasdaq will not send out any Notices with information on corporate actions.

2.4 Basket Specification

<table>
<thead>
<tr>
<th>Creation of baskets</th>
<th>Upon request by the parties</th>
</tr>
</thead>
<tbody>
<tr>
<td>Basket return types</td>
<td>Price, Gross or Net as agreed by the parties</td>
</tr>
<tr>
<td>Basket currency</td>
<td>EUR, GBP, USD, SEK, DKK, or NOK, as agreed by the parties</td>
</tr>
<tr>
<td>Max number of stocks in basket</td>
<td>200</td>
</tr>
<tr>
<td><strong>Benchmark Administrator</strong></td>
<td>Nasdaq Copenhagen A/S.</td>
</tr>
<tr>
<td>-----------------------------</td>
<td>------------------------</td>
</tr>
<tr>
<td></td>
<td>Nasdaq Copenhagen A/S is registered as a benchmark administrator pursuant to Article 34 of the EU Benchmarks Regulation (EU 2016/1011) (BMR) and under the supervision of the Danish Financial Supervisory Authority.</td>
</tr>
<tr>
<td><strong>Number of shares in basket for each basket constituent</strong></td>
<td>A decimal number greater than 0, with a maximum number of decimals that is apparent from the basket request template file from time to time.</td>
</tr>
<tr>
<td><strong>Basket level</strong></td>
<td>Determined by Nasdaq in accordance with the Custom Baskets Calculation Methodology and published hourly for the relevant basket RIC. A basket closing level is established and published daily.</td>
</tr>
<tr>
<td></td>
<td>Closing market value of basket constituent i:</td>
</tr>
<tr>
<td></td>
<td>[ MV_{i,\text{Close}}^t = (p_{i,\text{Close}}^t \times NOSH_{i}^t \times FX_{i,\text{Close}}^t) ]</td>
</tr>
<tr>
<td></td>
<td>where NOSH is number of shares in basket</td>
</tr>
<tr>
<td></td>
<td>The closing basket market value is:</td>
</tr>
<tr>
<td></td>
<td>[ Basket_{\text{MV},\text{Close}}^t = \sum MV_{i,\text{Close}}^t ]</td>
</tr>
<tr>
<td></td>
<td>The closing basket level is determined as:</td>
</tr>
<tr>
<td></td>
<td>[ Basket \text{ Level}<em>{t}^i = \frac{Basket</em>{\text{MV},\text{Close}}^t}{\text{Divisor}_{t}} ]</td>
</tr>
<tr>
<td><strong>Initial basket price level</strong></td>
<td>Max EUR/USD/SEK/DKK/NOK/GBP 100 000</td>
</tr>
<tr>
<td><strong>Corporate actions handling</strong></td>
<td>In accordance with the Custom Baskets Calculation Methodology</td>
</tr>
<tr>
<td><strong>Amendments of baskets</strong></td>
<td>Not allowed</td>
</tr>
</tbody>
</table>
Basket code

Public baskets:
“SB”+“G”/”N”/”P” (Gross/Net/Price) + “XXX” (basket number or letter code), e.g. “SBG001” or “SBGAAA” for a gross return basket.
(In test environment, public baskets start with “TB”)

Private baskets:
“OB”+“G”/”N”/”P” (Gross/Net/Price) + “XXX” (basket number or letter code), e.g. “OBG001” or “OBGAAA” for a gross return basket.
(In test environment, private baskets start with “OT”)

Basket RIC (Refinitiv)

. followed by the Basket code, e.g. “.SBG001”

All details related to the calculation of basket levels can be found in the Custom Baskets Calculation Methodology, available on [https://www.nasdaq.com/solutions/nasdaq-benchmark-administration](https://www.nasdaq.com/solutions/nasdaq-benchmark-administration)

2.5 Dissemination of Basket Level

The basket level (price) for each basket, including private baskets, will be disseminated hourly Monday to Friday via Refinitiv.

2.6 Basket Composition in Weight Reports

Basket weight reports will be in txt format and will contain basket information such as basket composition, weight per stock in basket, and basket divisor.

Basket weight reports will be available daily on the Nasdaq SFTP site.

Reports for public baskets will be publicly available on the Nasdaq SFTP site, whereas access to reports for private baskets are restricted to the requesting member(s) and related end-clients. The requesting member(s) will be granted access to the specific SFTP folder for basket weight reports by using existing member credentials. The member can also receive a generic set of credentials for distribution at the member’s own discretion (e.g. to clients). Each private OTC basket will have unique login credentials.

In a designated folder on the SFTP site, there will be a specific basket weight report containing all stocks in the universe of stocks.

Description how to access the SFTP can be found in Appendix B.

For questions or issues related to the weight reports, members are encouraged to contact Nasdaq’s Technical Support team.

2.7 Dissemination of Basket Composition

For public baskets, the basket composition (components, units, weights) is disseminated in the GCF market data feed, currently with one day delay.
2.8 Agreements

For the use of CBCS, the customer must sign the Custom Basket Calculation Service Agreement.
Custom Basket Forwards (CBF)

3.1 Trading and CCP Clearing of CBFs – Service Overview

3.1.1 Custom Basket Forward Contracts on Request

Each forward contract, and related custom basket, is set up by Nasdaq upon request by the members. After a request is received by Nasdaq, the forward contract is made available for trade registration and clearing.

A request can be made either for a new basket and the related new forward contract, or for a new forward contract on an already existing basket.

An existing basket is not possible to amend, i.e. the composition of a basket for example in terms of stocks in the basket and number of units for each stock, is fixed throughout the lifetime of the basket, with the exception of adjustments due to corporate action events which are handled in accordance with the Custom Baskets Calculation Methodology.

3.1.2 Block Trading Market

Trading takes place as off-book block trades. There is no order book trading (i.e. no electronic order book).

The service offers the possibility to execute trades as either exchange trades under the Exchange Rules of Nasdaq Derivatives Markets, or as off-exchange (OTC) trades reported for CCP clearing under the Clearing Rules of Nasdaq Derivatives Markets.

3.1.3 Exchange Transactions

Members may execute block trades in accordance with the Exchange Rules of Nasdaq Derivatives Markets. Trades are reported to the trading venue for registration using the Trade Registration Facility (TRF). Anonymous post-trade market data is available as soon as the trade has been registered electronically or at the end of the main trading session in case the trade is eligible for deferred trade-publication.

Members may also use the trading venue’s manual trading system (MPS) functions as a complement to the TRF. Orders received by telephone, chat or other communication tools as determined by the trading venue from time to time, are executed manually by the trading venue’s personnel against other counterparties in accordance with the Exchange Rules of Nasdaq Derivatives Markets, and trades are entered into the trading venue’s trading platform at which time anonymous post-trade market data is available.

Exchange trades may be executed on public baskets only.

For further information, see section 4.3.1 Registration of Exchange Transactions.

3.1.4 Off-Exchange Transactions (OTC)

Members may execute off-exchange block trades in a forward contract, and report the trade for clearing to the CCP. Such trades are not executed under the Exchange Rules of Nasdaq Derivatives Markets but clearing takes place in accordance with the Clearing Rules of Nasdaq Derivatives Markets.

Off-exchange trades may be executed with either public or private baskets as the underlying basket.
## 3.2 Forward Contract Specification

<table>
<thead>
<tr>
<th><strong>Contract type</strong></th>
<th>Forward contract with cash settlement at expiration</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Contract listing</strong></td>
<td>Upon request by the parties</td>
</tr>
<tr>
<td><strong>Underlying basket</strong></td>
<td>Custom basket as agreed by the parties</td>
</tr>
<tr>
<td><strong>Contract currency</strong></td>
<td>EUR, GBP, USD, SEK, DKK, or NOK, as agreed by the parties</td>
</tr>
<tr>
<td><strong>Trade price</strong></td>
<td>Price per basket with up to four decimal places as agreed by the parties.</td>
</tr>
<tr>
<td><strong>Contract multiplier</strong></td>
<td>1</td>
</tr>
<tr>
<td><strong>Contract notional value</strong></td>
<td>Contract multiplier x Trade price</td>
</tr>
<tr>
<td><strong>Trading days</strong></td>
<td>The EUR, USD and GBP market segments are open for trading all days that are bank days in the relevant basket contract currency and a bank day in at least one of the SEK, NOK and DKK contract currencies. The SEK, NOK, and DKK market segments are open for trading all days that are bank days in the relevant basket contract currency.</td>
</tr>
<tr>
<td><strong>Last trading day</strong></td>
<td>The expiration day</td>
</tr>
<tr>
<td><strong>Maximum contract maturity</strong></td>
<td>Up to four months</td>
</tr>
<tr>
<td><strong>Expiration month</strong></td>
<td>Mar, Jun, Sept or Dec</td>
</tr>
<tr>
<td><strong>Expiration day</strong></td>
<td>The first trading day following the third Friday of the expiration month.</td>
</tr>
<tr>
<td>Service Description</td>
<td>Details</td>
</tr>
<tr>
<td>----------------------------------------------------------</td>
<td>----------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td><strong>Daily settlement price</strong></td>
<td>The contract is not subject to daily cash settlement. However, a theoretical forward price for the contract as determined by the Exchange daily based on the latest available basket level. The theoretical forward price is used for determining the daily margin requirement.</td>
</tr>
<tr>
<td><strong>Final settlement price (Expiration price)</strong></td>
<td>The basket closing level, as determined by the basket calculator, from the Friday prior to the Expiration day. Final settlement price is rounded to 4 (four) decimals.</td>
</tr>
<tr>
<td><strong>Settlement</strong></td>
<td>Cash settlement. Settlement amount determined at the end of the expiration day as the difference between the final settlement price and the initial trade price, payable by the seller (buyer) if the amount is positive (negative) and due on the first trading day following the expiration day.</td>
</tr>
<tr>
<td><strong>Position maintenance</strong></td>
<td>Positions are kept on gross basis until expiration at which time contracts are terminated.</td>
</tr>
<tr>
<td><strong>Trading Mechanism</strong></td>
<td>Block trading (i.e. no electronic order book)</td>
</tr>
<tr>
<td></td>
<td>For Exchange Transactions, block trades are negotiated by the parties and reported to the Exchange for registration in accordance with the exchange rules and subsequent trade-publication.</td>
</tr>
<tr>
<td></td>
<td>For non-Exchange Transactions (OTC), block trades are negotiated by the parties and reported to the CCP for clearing.</td>
</tr>
<tr>
<td><strong>Minimum trade size</strong></td>
<td>None for Exchange Transactions (the Exchange has pre-trade transparency waivers in place for illiquid instruments)</td>
</tr>
<tr>
<td></td>
<td>No minimum trade size for Off-Exchange Transactions.</td>
</tr>
<tr>
<td><strong>Deferred trade-publication</strong></td>
<td>Supported for Exchange Transactions. Volume thresholds in fixed number of contracts corresponding to a notional amount of EUR 150 000.</td>
</tr>
<tr>
<td></td>
<td>For Off-Exchange Transactions, please see section regarding the registration of non-Exchange transactions.</td>
</tr>
</tbody>
</table>
### Instrument name standard
The instrument name will be Basket code followed by expiration year identifier (one character) and expiration month identifier (O=March, R=June, U=Sept, X=Dec).
For example, SBG001X for forward contract on a public basket SBG001 with expiration year 2023 and expiration month December.

### 3.3 Trading hours and Holiday calendar

#### 3.3.1 Trading hours
Exchange Trade reporting during CET 09:00–19:30
OTC Trade reporting during CET 08:00–19:30

#### 3.3.2 Holiday Calendar
The EUR, USD and GBP market segments are open for trading all days that are bank days in the relevant basket contract currency and a bank day in at least one of the SEK, NOK and DKK contract currencies.
The SEK, NOK, and DKK market segments are open for trading all days that are bank days in the relevant basket contract currency.

### 3.4 Agreements
For the use of CBF, the customer must sign the Custom Basket Calculation Service Agreement, as well as the Close-Out Provider Agreement and the related Side Letter regarding Soft Launch.

### 3.5 CBF Launch Phases

#### 3.5.1 CBF Soft Launch
The Soft Launch phase will start when the minimum number of clearing members have signed up as close-out providers.
During the Soft Launch phase, members will only be allowed to trade with their own clients (i.e., not with other members or with clients of other members), and only members that are close-out providers will be granted access to CBFs.
The Soft Launch phase will end when the minimum number of close-out providers are deemed active, but the maximum duration of the Soft Launch phase is six months. An extension beyond six months requires an additional approval from the Nasdaq Clearing Risk Committee.
A close-out provider is deemed active as soon as it has started trading or taking on positions for the first time (with the exception of two trades in production with a maximum trade size of MSEK 1 in order to test the member’s systems).
During both the Soft Launch phase and after full launch, active close-out providers have obligations in accordance with the close-out provider agreement and are subject to juniorization rules. Non-active close-out providers undertake to use reasonable endeavors to provide binding bid and ask quotes to Nasdaq Clearing AB in an auction, and are not subject to juniorization rules.

3.5.2 CBF Full Launch

The Soft Launch phase ends and full launch starts when the minimum number of close-out providers are deemed active. Members will now be allowed to trade also with other members and clients of other members.
Operational Procedures

4.1 Basket Requests

4.1.1 Request of a New Basket (without related Forward Contract)

A request of a new basket is done using the Basket Request Form. The basket request is sent via e-mail to Nasdaq’s Product Management team.

When requesting a new basket only (i.e. no related forward contract), the forward contract details on the request form shall be left empty, and the tick box for “Basket only” (public or private) shall be ticked.

4.1.2 Request of a New Basket and Related Forward Contract

A request of a new basket and the listing of the related forward contract is done using the Basket Request Form. The basket request is sent via e-mail to Nasdaq’s Product Management team.

The forward contract details, such as expiration month and year, and indicative trade notional, shall be filled in. On the Order Information tab, the choice of basket termination method shall be filled in, where the choice is to have either the basket terminated after expiry of the forward contract, or the basket to be continued to be calculated also after the expiry of the forward contract.

In addition, on the Basket Request Form, the requestor is asked to provide information such as:

- Basket and forward contract specifications:
  - Public or private basket
  - Basket currency
  - Basket return type (Gross/Net/Price)
  - Basket constituents and number of units
  - Basket divisor
  - Basket effective date
  - Indicative Basket value
  - Forward contract expiration month and year
  - Indicative trade notional

- Order information:
  - Member participant ID (MPID)
  - Contact information to relevant person at the requesting member firm
  - Basket termination method

- SFTP request for Private OTC baskets:
  - Member Participant IDs for members that shall have access to the non-public basket weight reports for the private OTC basket in question.

After a request has been sent to Nasdaq, the requestor will receive a confirmation of when the forward contract is expected to be available for trading.

If the request is for a private basket, the member will be granted access to the specific SFTP folder for basket weight reports by using existing member credentials. The member may also receive a generic set of credentials for distribution at the member’s own discretion (e.g. to clients), where each private basket will have unique login credentials.

Basket request cut-off time: CET 12:30. This is the cut-off time for a request of a basket and forward contract to be, under normal circumstances, tradable from the next business day. The cut-off time
applies only to basket requests that are complete and correct. A basket request received after the cut-off time will be handled on a best-effort basis only. Nasdaq reserves the right to limit the number of basket requests on a given business day.

4.1.3 Request of a New Forward Contract on an Existing Basket

A request for a listing of a new forward contract (new expiry month) on an already existing basket can be done via regular e-mail to Nasdaq’s Product Management team. A request can be for either 1) a forward on a basket that previously has not had a forward listed (i.e. a basket only), or 2) a new forward on a basket on which there is or has been a forward listed with another expiration date.

The request will be validated against a set of pre-defined criteria (for example, that the maximum weight per constituent is not exceeded, and that all basket constituents of the existing basket still are in the basket universe).

If the request is for scenario 1) mentioned above, the cut-off time is CET 12:30 and if the request is for scenario 2) mentioned above, the cut-off time is CET 16:30. A request that is received before cut-off time will under normal circumstances have the forward contract available for trading from the next business day. The cut-off time applies only to basket requests that are complete and correct. A basket request received after the cut-off time will be handled on a best-effort basis only. Nasdaq reserves the right to limit the number of basket requests on a given business day.

4.2 Basket Termination (Cessation)

Procedures for termination of a basket.

4.2.1 Termination of baskets related to the Calculation Service only

A basket that has been set up for CBCS from start (i.e. a basket only) is terminated on client request only, meaning that Nasdaq normally do not initiate termination of such baskets, even if at some point there has been a forward contract listed with the basket as underlying. A termination request will only be accepted if it comes from the same client (clearing member) that requested the basket from start.

A termination request is sent to Nasdaq’s Product Management team via email.

Please note that the benchmark administrator may independently decide on cessation of a basket, in accordance with its policies and procedures.

4.2.2 Termination of baskets related to CBFs

Termination of a basket that has been set up for CBF from start (i.e. a basket with a related forward contract listed from start) is terminated depending on the basket termination method chosen by the requesting member when the basket was set up. The basket termination method chosen can be either that the basket is to be terminated after expiry of the related forward contract. This means that Nasdaq, on a quarterly basis, will initiate termination of the basket if there are no listed forward contract related to the basket in question.

Alternatively, the method chosen can be that the basket is to be continued to be calculated also after the expiry of the forward contract. In such case, the termination of the basket must be initiated by the client that requested the basket from start.

Please note that the benchmark administrator may independently decide on cessation of a basket, in accordance with its policies and procedures.
4.3 **CBF Trade Registration**

This section describes how transactions can be reported to the trading venue and the CCP. The transactions, in the form of so called Block Trades, may be reported for registration during trading hours.

4.3.1 **Registration of Exchange Transactions**

This section contains details on the Trade Registration Facility (TRF) and provides guidance on how to report Block Trades to the trading venue for registration in the trading platform.

The TRF allows members to negotiate Block Trades provided that the trades are executed in accordance with the Exchange Rules of Nasdaq Derivatives Markets.

Exchange Block Trades may be take place in all listed forward contracts on public baskets, and may be executed as outright trades for a single forward contract, or as strategy trades (also known as package transactions) for two or more different forward contracts.

Once a Block Trade has been registered electronically with the trading venue it is cleared by the CCP and the trade details are published by the trading venue.

4.3.1.1 **Reporting Deadline and Time of Agreement**

Exchange transactions must be reported to the trading venue within five (5) minutes from the time of agreement. The time of agreement is the point in time when an agreement on all of the terms, including trade price, of the transaction is reached between the parties to the transaction.

Time of agreement must be during TRF service hours (CET 09:00–19:00).

4.3.1.2 **Benchmark Attribute**

In case the price of the Block Trade has been calculated over multiple time instances according to a given benchmark, including volume weighted average price transactions (benchmark transaction), then when reporting a Block Trade which is a benchmark transaction members are required to identify it accordingly using the applicable trade flag.

4.3.1.3 **Trade Price**

Members shall ensure that the price of the block trade is a fair representation of current market value.

4.3.1.4 **Reporting of Package Transactions**

Exchange trades in strategies that are priced as one package, such as for example certain quarterly roll transactions, must be reported as so called multi-leg trade reports (requirement under MiFID II).

See Section 5.4.2 of the Market Model Nasdaq Derivatives Markets.

4.3.1.5 **Minimum Trade Size**

The minimum trade size is 1 contract. The trading venue has pre-trade transparency waivers in place for illiquid instruments.

4.3.1.6 **Maximum Trade Size**

100,000 contracts per trade for electronic trade reports.
4.3.1.7 Deferred Trade Publication

The trading venue provides for deferred publication of the details of an exchange transaction where the trade is satisfying the trading venue’s deferral conditions. The trading venue will defer until 18:00 CET the publication of such Block Trade details if at the time the trade is reported to the trading venue, deferred trade-publication is requested by the parties. Deferred publication is requested by including the applicable trade flag in the trade report.

The deferral threshold volume is the minimum number of contracts per forward contract, as determined by the trading venue from time to time, that is required to qualify for deferred trade-publication. Any attempt by a member to report and register with the exchange a Block Trade which is requested to be deferred but does not comply with the deferral threshold volume is rejected by the trading venue.

The deferral threshold in number of contracts is calculated by the trading venue at the time of the listing of the contracts, and shall at that time be equivalent to at least EUR 150,000 in contract notional value.

4.3.2 Registration of Off-Exchange Transactions (OTC)

Off-exchange transactions (OTC trades) can be registered with the CCP for clearing only, by reporting the trade using the appropriate Trade Report Type. Such transactions are not executed under the Exchange Rules of Nasdaq Derivatives Markets, but are governed by the Clearing Rules of Nasdaq Derivatives Markets.

Note that for non-exchange transactions, the CCP accepts for clearing transactions on both public and private baskets.

4.3.3 Re-balancing transactions

If an exchange/clearing member wishes to re-balance the underlying basket (i.e. slightly change the composition of the underlying basket), this is supported by allowing the member to request a new underlying basket using the Basket Request Form sent via email to Nasdaq’s Product Management team, followed by a simultaneous closing of the forward position in the existing basket and opening up a forward position in the new basket.

The transaction fees for re-balancing transactions will be reduced compared to standard transactions.

A definition of re-balancing transactions, the related transaction fee, and the required trade report type to be used when registering re-balancing transactions are outlined in the Equity Derivatives Fee list.

4.3.4 One-Sided and Two-Sided Trade Reports

Trades can be reported as either two-sided or one-sided trade reports. In a two-sided trade report, one participant reports both sides (buy and sell) of the trade to the trading venue, whereas in a one-sided trade report each participant reports their side of the trade to the trading venue whereby the trade is subsequently matched.

4.3.5 Required Trade Report Details

A trade report for an exchange transaction shall contain information in accordance with Section 4.4.6 of the Exchange Rules of Nasdaq Derivatives Markets, such as:

- instrument series name (name of contract)
- price
- quantity
- time of agreement
• member participant ID
• trader ID
• capacity (client or own account)
• trade type

As for OTC trade reports, trader ID and capacity is not applicable.

4.3.6 Trade Registration via Nasdaq Market Operations

Exchange members may report trades to Nasdaq Market Operations via an file template, via regular e-mail, or via telephone.

File template via e-mail

Trading members may report block trades using a trade report file template supplied by the trading venue.

E-mail

Exchange members may also report block trades via regular e-mail, which must contain all required trade details. Failure to provide all the required trade details may lead to that the member fails to report the trade within applicable time limits.

Phone

Exchange members may also report block trades over phone. In addition to the required trade details, the trading venue also requires name, member firm and phone number of the person reporting the trade.

Responsibility of the member

It is the responsibility of the member that the price is fair. The fact that the trade is registered by Market Operations does not automatically mean that the price is approved by the trading venue’s Trading Surveillance function.

It is the responsibility of the member to report an exchange trade within the applicable time limits. A Block Trade is not considered reported until all required trade details have been correctly submitted to the trading venue.

For trade reports over phone, the trade is considered reported to the exchange once the trading venue’s personnel has repeated the details and both the trading venue’s personnel and the person reporting the trade have confirmed these details.

4.4 Expiration of CBF contracts

The forward contracts normally expires on the Monday following the third Friday on the expiration month.

4.4.1 Expiration Price

The expiration price is the closing basket level, as described in the Custom Baskets Calculation Methodology, from the Friday prior to the expiration day. For the forward contract settlement, the expiration price is rounded to four decimals.
4.4.2 Publication of Expiration Price

The final expiration price is available via Refinitiv as the closing basket level of the underlying basket RIC from the Friday prior to the expiration day.

On the expiration day, the final expiration price for each basket is also available in the basket weight report files in the respective folder on the SFTP site.

4.4.3 Cash settlement

The cash settlement of the forward contract takes place on the first business day following the expiration day.
Fees for the Calculation Service and CBF transactions

5.1 CBCS Fees

The following fees apply for CBCS: A fixed fee in EUR per each basket open in a calendar quarter in combination with a minimum fee per annum per basket. The fixed fee do not apply for baskets where a related CBF contract has traded in the relevant calendar quarter.

5.2 CBF Transaction Fees

- Transaction fees (trade and expiration) for all contract currencies:
  - Principal accounts: Fee expressed as basis points (bps) of notional amount
  - Client accounts: Fee expressed as basis points (bps) of notional amount
- Fee level for re-balance transactions: Discounted fee will apply
- Minimum fee per trade: Will apply

Fee is calculated per contract and rounded to three decimals per contract.
Disclaimer

While the document has been prepared on the basis of the best information available at the moment of preparation, the Nasdaq accepts no liability for any decisions taken or system or functionality configurations carried out by any party based on this document.

While the Exchange and Clearing Rules of Nasdaq Derivatives Markets is a legally binding document between members and Nasdaq, the purpose of this document is to provide additional guiding information. This document does not form part of the contractual documentation between Nasdaq and its members or other customers. Content of this document may also be subject to discussions and in some cases approval from relevant authorities.
# Appendix A - Nasdaq Contacts

<table>
<thead>
<tr>
<th>Enquiry type</th>
<th>Nasdaq team</th>
<th>Contact details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Basket Requests</td>
<td>Product Management</td>
<td>+46 8 405 6970 <a href="mailto:product.management@nasdaq.com">product.management@nasdaq.com</a></td>
</tr>
<tr>
<td>Corporate Actions</td>
<td>Product Management</td>
<td>+46 8 405 6970 <a href="mailto:product.management@nasdaq.com">product.management@nasdaq.com</a></td>
</tr>
<tr>
<td>Trade Reporting</td>
<td>Trading Operations</td>
<td>+46 8 405 7360 <a href="mailto:tradingoperations@nasdaq.com">tradingoperations@nasdaq.com</a></td>
</tr>
<tr>
<td>Trading Surveillance</td>
<td>Trading Surveillance</td>
<td>+46 8 405 6290 <a href="mailto:tss@nasdaq.com">tss@nasdaq.com</a></td>
</tr>
<tr>
<td>Margin Calculations, Risk Management</td>
<td>Risk Management</td>
<td>+46 8 405 7088 <a href="mailto:clearing.risk@nasdaq.com">clearing.risk@nasdaq.com</a></td>
</tr>
<tr>
<td>Clearing activities</td>
<td>Clearing Operations</td>
<td>+46 8 405 68 80 <a href="mailto:clearing@nasdaq.com">clearing@nasdaq.com</a></td>
</tr>
<tr>
<td>Access to market, SFTP accounts and</td>
<td>Member and Account Configuration</td>
<td><a href="mailto:MAC@nasdaq.com">MAC@nasdaq.com</a></td>
</tr>
<tr>
<td>connectivity</td>
<td>(MAC)</td>
<td></td>
</tr>
<tr>
<td>Technical Support</td>
<td>Technical Support</td>
<td>+46 8 405 6750 <a href="mailto:technicalsupport@nasdaq.com">technicalsupport@nasdaq.com</a></td>
</tr>
<tr>
<td>Product Development</td>
<td>Product Development</td>
<td>Hákan Walden +46 8 405 7170</td>
</tr>
</tbody>
</table>
Appendix B - How to access weight reports on Nasdaq SFTP

Basket weight reports are available on Nasdaq SFTP and can be accessed with an SFTP application (such as FileZilla).

Public Baskets
The SFTP site for public baskets will be publicly available on the following connectivity details:
Hostname for the test environment: sftp://ftp.nordic.nasdaqomxtrader.com/CBF_Test/
Port: 22

Private Baskets
The folders for private baskets are not public, meaning that they need to be accessed using SFTP credentials obtained from Nasdaq.
Hostname: ftp.nordic.nasdaqomxtrader.com or IP adress: 217.73.6.18
Port: 22
Members that wish to have access to basket weight reports for private baskets must request generic access to the SFTP for private baskets in the Member Portal. Generic access means access for the member firm to the member’s all current and future private baskets.

For further information, please contact Nasdaq’s Member and Account Configuration team.
Appendix C - Trade Types applicable to CBF instruments

Updated: August 25, 2023

The following Trade Types are applicable to CBF instruments:

- **CBF on public baskets:**
  - All Trade Types set out in the Nordic Equity Derivatives Market Model are applicable
  - Additionally, the on-exchange and OTC re-balance trade types (201, 202, 203, 211, 212 and 213) are applicable

- **CBF on private baskets:**
  - The non-disclosed OTC trade type (54) is applicable
  - Additionally, the OTC re-balance trade types (211, 212 and 213) are applicable
Appendix D - How to get started

Exchange and Clearing Members wishing to participate in trading and clearing of CBFs are encouraged to:

- Sign relevant agreements
  - Custom Basket Calculation Service Agreement
  - Close-Out Provider Agreement
  - Close-Out Provider Agreement Side-Letter regarding Soft Launch
- Request relevant system access in Nasdaq Member Portal
  - Request access to CBF market segments
  - Request access to Nasdaq SFTP for private baskets
- Traders
  - Make sure that relevant traders at the member have a Trader ID with Nasdaq (also required for trade registration via Nasdaq Market Operations)