X-pand into the Future

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Date: Frankfurt, January 12, 2007
Recipients: All Eurex Members and Vendors
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Weekly Options: Initiative for the Encouragement of Trading Activities

Related Eurex Circulars: 068/06

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Content may be most important for:	**Attachments:**
Ü All departments	none

Summary:

In order to further encourage trading activities in Weekly Options on the equity indexes DAX®, Dow Jones EURO STOXX® 50 and SMI®, the Management Boards of the Eurex Exchanges decided in their session on January 8, 2007 to offer revenue sharing for Market Makers in these three products for the period between **February 1, 2007** and **January 31, 2008**.

Weekly Options: Initiative for the Encouragement of Trading Activities

Since April 24, 2006 the Eurex product range comprises Weekly Options on the three indexes DAX®, Dow Jones EURO STOXX® 50 and SMI®. Since their introduction Eurex offers market-making in these three products which is based on Permanent Market-Making for index options (PMM). For the "Market Maker Obligations at Eurex" please see the Eurex website under the path:

www.eurexchange.com > Trading > Market Model > Market-Making > Market Maker Obligations

To further encourage trading activities especially in the order book, the Management Boards of the Eurex Exchanges decided in their session on January 8, 2007, to offer a revenue sharing scheme for Market Makers in these products. The three products will be considered separately and for each product up to 30 percent of transaction fees from trading and clearing (pursuant to number 3.1 of the Price List) will be reimbursed to Market Makers. This scheme will be applied in the period from February 1, 2007 to January 31, 2008.

Eurex will evaluate on a monthly basis which Market Makers have complied with the "Market Maker Obligations at Eurex". Based on the respective amount of traded contracts on M- or P-accounts in the order book, the three most active Market Makers will be determined per calendar month to participate in revenue sharing according to the following ranking:

Market Maker Ranking	Revenue Sharing
1	12.5 %
2	10.0 %
3	7.5 %

Should less than three Market Makers have fulfilled the requirements for one product in a month, the stake of the revenue distributed will be reduced to 22.5 percent (for two Market Makers) and to 12.5 percent in case of just one Market Maker. Participants interested in taking over Market Maker functions should complete the Market Maker Registration form and return it to Ralf Huesmann at fax no. +49-69-211-61 54 43 by January 25, 2007. The form can be downloaded from the Eurex website under the path:

www.eurexchange.com > Documents > Forms > Trading Derivatives > Single Forms > Market-Making

Participants who already registered for Market-Making in Weekly Options will participate automatically in the revenue sharing scheme and do not have to resend the form.

The revenue amount to be disbursed to the participant concerned will be communicated after the end of month and paid on a quarterly basis.

Frankfurt, January 12, 2007