X-pand into the Future

eurex circular 015/11

Date: January 18, 2011

Recipients: All Trading Members of Eurex Deutschland and Eurex Zürich, all Clearing-Members of Eurex Clearing AG and Vendors

Authorized by: Michael Peters

Action required

Equity Options: Change of Product Code of Weekly Equity Options on Deutsche Bank

Related Eurex Circular: 006/11

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Content may be most important for:

➲ All departments

Attachments:

1. Updated sections of Annex B of Contract Specifications for Futures Contracts and Options Contracts at Eurex Deutschland and Eurex Zürich
2. Market-Making Obligations effective January 24, 2011 (excerpt)

Contrary to what was announced in Eurex circular 006/11 and effective **January 24, 2011**, weekly equity options on the underlying instrument Deutsche Bank will be set up in the Eurex® system with the following product codes:

Options on	ISIN of the Underlying	Product Code old	Product Code new
1st Friday Opt on Deutsche Bank	DE0005140008	DBK1	DBW1
2nd Friday Opt on Deutsche Bank	DE0005140008	DBK2	DBW2
4th Friday Opt on Deutsche Bank	DE0005140008	DBK4	DBW4
5th Friday Opt on Deutsche Bank	DE0005140008	DBK5	DBW5

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MODIFICATIONS ARE MARKED AS FOLLOWS:

INSERTIONS ARE UNDERLINED

DELETIONS ARE CROSSED OUT

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[...]

2. Part: Contract Specifications for Options Contracts

[...]

2.6 Subpart: Contract Specifications for Options Contracts and Low Exercise Price Options on Stocks

[...]

2.6.2 Call Option (Call)

(1) The purchaser of a call option (Call) has the right to demand delivery of the shares underlying the contract at the stipulated exercise price.

(2) The writer of a call shall be required,

- generally on the third Exchange day
- in case of Options contracts and LEPOs on stocks with group ID DE11, ~~and~~ DE12, DE13 assigned in Annex B on the second Exchange day
- in case of Options contracts and LEPOs on stocks with group ID FI11, FI12, FI 13, GB11 assigned in Annex B on the fourth Exchange day

to deliver the underlying shares at the stipulated exercise price following the day on which the stock option or LEPO was exercised; this shall also apply if the exercise is first assigned to the writer on the Exchange day following the day of exercise.

2.6.3 Put Option (Put)

(1) The purchaser of a put option (put) has the right to deliver the shares underlying the contract at the stipulated exercise price.

(2) The writer of a put shall be required,

- generally on the third Exchange day
- in case of Options contracts on stocks with group ID DE11 and DE12 assigned in Annex B on the second Exchange day
- in case of Options contracts on stocks with group ID FI11, FI12, FI 13, GB11 assigned in Annex B on the fourth Exchange day

to pay the stipulated exercise price following exercise of the contract against delivery of the shares underlying the contract; this shall also apply if the exercise is first assigned to the writer on the Exchange day following the day of exercise.

(3) Subsection 2.6.3 shall not apply to LEPOs.

2.6.4 Term

(1) Stock Options are generally available at the Eurex Exchanges for the following terms:

- 5 weeks: up to and including the next, the second, the third and the fourth succeeding expiration days
- 12 months: up to and including the next, the second and the third succeeding expiration days and up to and including the next three succeeding quarterly expiration days (March, June, September, December)
- 24 months: up to and including the next, the second and the third succeeding expiration days and up to and including the next three succeeding quarterly expiration days (March, June, September, December) and up to the next two succeeding half-year expiration days (June and December) thereafter
- 60 months: up to and including the next, the second and the third succeeding expiration days and up to and including the next three succeeding quarterly expiration days (March, June, September, December) as well as up to the next four half-year expiration days (June, December) thereafter and up to the next two succeeding yearly expiration days (December).

  An additional term shall be available for Options contract on stocks with group ID NL11 assigned in Annex B:

- 60 months (old cycle)[7]: up to and including the next, the second and the third succeeding expiration days and up to and including the next three succeeding quarterly expiration days (January, April, July and October) as well as up to the next four yearly expiration days (October).

Additional quarterly expiration days shall be available for options contracts on stocks with group ID ES11 assigned in Annex B:

- 60 months: up to and including the next, the second and the third succeeding expiration days and up to and including the next nine succeeding quarterly expiration days (March, June, September and December) and a following half-yearly expiration day (June, December) as well as up to the next two -yearly expiration days (December).

  The Board of Management of the Eurex Exchanges shall determine the terms for each stock option pursuant to paragraph (1).

(2) LEPOs with terms of up to and including the next expiration days and and including the next two succeeding quarterly expiration days (March, June, September, December) are available at the Eurex Exchanges.

LEPOs on stocks with group ID NL11 assigned in Annex B with additional two terms including the next two succeeding quarterly expiration days (January, April, July and October) (old cycle)[8].

2.6.5 Last Trading Day

(1) The last trading day of an option series shall be the last day on which such option series is available to Exchange Participants for trading and clearing through the EDP system of the Eurex Exchanges.

(2) The last trading day of a stock option or LEPO shall be the third Friday of the relevant month; provided that such Friday is an Exchange day on which the trading of the respective contracts is not excluded due to special provisions by the Management Boards of the Eurex Exchanges (e.g. holiday regulations); otherwise it shall be the Exchange day preceding such day on which trading of the respective contracts is not excluded due to aforementioned provisions.

If exercise in an option series pursuant to the provisions of subsection 2.6.12 paragraph (3) in case of Options contracts and LEPOs on stocks with group ID DE11, ~~and~~ DE12, DE13 assigned in Annex B is not possible on the day regulated in Clause 1 due to the adoption of a dividend resolution on such day, the last trading day of the respective contracts of this option series shall be the exchange day preceding such day on which the trading of the respective contracts is not excluded due to special provisions of the Management Boards of the Eurex Exchanges (e.g. holiday regulations).

In case of Options contracts and LEPOs with group ID IT11 and IT12 assigned in Annex B the last trading day shall be the day before the third Friday of the relevant month; provided that such day is an Exchange day on which the trading of the respective contracts is not excluded due to special provisions of the Management Boards of the Eurex Exchanges (e.g. holiday regulations); otherwise it shall be the Exchange day preceding such day on which trading of the respective contracts is not excluded due to aforementioned provisions.

The last trading day of options on stocks with group ID DE13 assigned in Annex B (term group "5 weeks") shall be – with the exception of the third Friday of the respective calendar month – the Friday of the respective expiration week, provided that such day is an Exchange day on which trading of the contracts is not excluded due to special provisions of the Management Boards of the Eurex Exchanges (e.g. holiday regulations); otherwise, it shall be the exchange day of the same calendar month preceding such day, provided that trading of the contracts is not excluded due to aforementioned provisions. If the preceding Exchange day is not in the same calendar month as the Friday of the expiry week, the last trading day shall be the Exchange day following the Friday of the expiry week, provided that trading of the contracts is not excluded due to special provisions of the Management Boards of the Eurex exchanges (e.g. holiday regulations).

2.6.6 Expiration Day

The expiration day of a stock option and a LEPO shall generally be the Exchange day following the last trading day.

If, in case of Options contracts and LEPOs on stocks with group ID DE11, ~~and~~ DE12, DE13 assigned in Annex B, the last trading day has been changed in accordance with the above rules (subsection 2.6.5 paragraph (2) sentence 2) due to the adoption of a dividend resolution, the expiration day shall be the second Exchange day following the last trading day.

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2.6.12 Exercise

(1) A stock option or LEPOs may be exercised by the purchaser on any Exchange day until the end of the Post-Trading Full Period (American style). The last day on which an option may be exercised shall generally be the last trading day (subsection 2.6.5).

(2) In deviation of Number 2.1.3 Number 1 and 2.6.12, the owner of a stock option with group ID RU11 assigned in Annex B may only exercise them on the last trading day (Number 2.6.5) of this option series until the end of the post trading full period (European style).

(3) This shall apply for Options contracts and LEPOs on stocks with group ID DE11, ~~and~~ DE12, DE13 assigned in Annex B except for the day preceding the ex-day. If a dividend resolution is passed on a day that is not an Exchange day, the options in question may not be exercised on the Exchange day preceding such day.

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Annex B in relation to subsection 2.6 of the contract specifications:

Options on Shares of	Product-ID	Group ID*	Cash Market ID*	Contract Size	Maximum Term (Months)	Minimum Price Change	Currency **
[…]							
Daimler AG	DAI1/2/4/5	DE13	XETR	100	1	0.01	EUR
Deutsche Bank AG	DBW1/2/4/5	DE13	XETR	100	1	0.01	EUR
Deutsche Telekom AG	DTE1/2/4/5	DE13	XETR	100	1	0.01	EUR
Nokia Corp. Ojy	NOA1/2/4/5	FI13	XETR	100	1	0.01	EUR
[…]							

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Group ID	Relevant Cash Market	ID of Cash Market
AT11, AT12	Electronic Trading System of the Wiener Börse	XVIE
BE11, BE12	Electronic Trading System of the NYSE Euronext Brussels	XBRU
CH11, CH12	Electronic Trading System of the SIX Swiss Exchange	XSWX, XVTX
DE11, DE12, DE13, US 11	Electronic Trading System of the Frankfurter Wertpapierbörse	XETR
ES11, ES12	Electronic Trading System of the Bolsa de Madrid	XMAD
FI11, FI12, FI13	Electronic Trading System of the OMX - Helsinki Stock Exchange	XHEL
FR11, FR12	Electronic Trading System of the NYSE Euronext Paris	XPAR
GB11	Electronic Trading System of the London Stock Exchange	XLON
RU11	Electronic Trading System of the London Stock Exchange	XLON
IT11, IT12	Electronic Trading System of the Borsa Italiana	XMIL
NL11, NL12	Electronic Trading System of the NYSE Euronext Amsterdam	XAMS
SE11, SE12	Electronic Trading System of the r OMX - Stockholm Stock Exchange	XSSE

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Annex C in relation to Contract Specifications:

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Trading Hours Options Contracts

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Options contracts and Low Exercise Price Options on Shares of Stock Corporations

Product		Pre-Trading-Period	Continuous Trading	Post-Trading Full-Period	OTC Block Trading	Last Trading Day	
Options contracts/ LEPOs on shares with group ID assigned pursuant to Annex B						Trading until	Exercise until
BE11, BE12, NL11, NL12		07:30-08:53	08:53-17:33	17:33-20:00	09:00-19:00	17:33	20:00
FI11, FI12, FI13, SE11, SE12		07:30-08:52	08:52-17:32	17:32-20:00	09:00-19:00	17:32	20:00
ES11, ES12		07:30-08:50	08:50-17:35	17:35-20:00	09:00-19:00	17:35	20:00
FR11, FR12		07:30-08:54	08:54-17:34	17:34-20:00	09:00-19:00	17:34	20:00
GB11		07:30-09:00	09:00-17:30	17:30-19:00	09:00-19:00	17:30	19:30
AT11, AT12		07:30-09:05	09:05-17:36	17:36-20:00	09:15-19:00	17:36	20:00
DE11, DE12, DE13		07:30-08:51	08:51-17:31	17:31-20:00	09:00-19:00	17:31	20:00
IT11, IT12		07:30-08:50	08:50-17:35	17:35-20:00	09:00-19:00	17:35	20:00
CH11, CH12		07:30-08:52	08:52-17:20	17:20-20:00	09:00-19:00	17:20	20:00
US11		07:30-08:53	08:53-17:33	17:33-20:00	09:00-19:00	17:33	20:00
RU11		07:30-09:05	09:05-16:30	16:30-20:00*	09:15-19:00**	16:30	17:40

* on the last trading day 16:30-17:40

** on the last trading day 16:30-17:00

All times in CET

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Market Maker Obligations effective January 24, 2011
(Excerpt)

Stock options with group ID:

AT12, BE12, CH12, DE12, ES12, FI12, FR12, IT12, NL12, SE12, DE13, FI13

Product	Product ID	Spread Class	Minimum Quote Size (Contracts) RMM/PMM	Number of Expirations to be quoted for RMM/PMM; the first
Stock Options on				
DEUTSCHE BANK	DBWK1/2/4/5	2	10	1