X-pand into the Future

e u r e x *circular 175/11*

Date: July 1, 2011
Sender: 1. Eurex Deutschland and Eurex Zürich
2. Eurex Clearing AG
Recipients: All Trading Members of Eurex Deutschland and Eurex Zürich and Vendors, all Clearing-Members of Eurex Clearing AG and Vendors
Authorized by: Peter Reitz

Action required

Equity Options: Introduction of six Equity Options on Russian Depository Receipts

Contact: Tobias Ehinger, Eurex Product Development, tel. +44-20-78 62-72 31
e-mail: tobias.ehinger@eurexchange.com

Content may be most important for:

Ü Front Office/Handel
Ü Middle + Backoffice
Ü Revision/Security Coordination

Attachments:

Updated sections of the following rules and regulations:

Eurex Deutschland and Eurex Zürich

1. Updated sections of Annex A and Annex B of Contract Specifications for Futures Contracts and Options Contracts at Eurex Deutschland and Eurex Zürich

Eurex Clearing AG

2. Price List for Eurex Clearing AG
3. Conditions for Utilization of the OTC Trade Entry Facilities (General Conditions for Participation)
4. Clearing Conditions for Eurex Clearing AG

Summary:

The Management Boards of the Eurex Exchanges and the Executive Board of Eurex Clearing AG decided to introduce equity options on six Russian Depository Receipts with effect from **July 18, 2011**.

The new equity options will be assigned to the new Eurex group ID RU12. Deviant from Eurex group ID RU11, the minimum number of tradable contracts via the Block Trade and Flexible Options facility is **one contract**.

Equity Options: Introduction of six Equity Options on Russian Depository Receipts

1. Introduction Date

The Management Boards of the Eurex Exchanges and the Executive Board of Eurex Clearing AG decided to introduce six equity options on Russian Depository Receipts with effect from July 18, 2011.

Eurex Deutschland and Eurex Zürich

To implement this decision, Contract Specifications for Futures Contracts and Options Contracts at Eurex Deutschland and Eurex Zürich will be amended as specified in attachment 1 with effect from July 18, 2011.

Eurex Clearing AG

To implement the decision of the Management Boards of the Eurex Exchanges, Eurex Clearing AG will adjust the Price List for Eurex Clearing AG (attachment 2) with regard to the clearing services it offers and the Conditions for Utilization of the OTC Trade Entry Facilities (General Conditions for Participation – attachment 3) and Clearing Conditions for Eurex Clearing AG (attachment 4). These changes will also become effective on July 18, 2011.

2. Contract Specifications and Product Parameters

At the start of trading, the complete product parameters for the new equity options will be available on the Eurex website on the following path:

www.eurexchange.com > Trading > Products > Equity Derivatives > Equity Options

For easier access, please click on the following link:
http://www.eurexchange.com/trading/products/EQU/OPT/products_en.html

The following table contains all essential information on contract specifications and product parameters of the new equity options:

Russian Equity Options - Introduction on July 18, 2011							
Name of the Underlying	**ISIN of the Underlying**	**Product ISIN**	**Eurex Product Code**	**Contract Size**	**Maximum Maturity in Months**	**Minimum Price Change**	**Currency**
Gazprom Neftyanaya Kompaniya	US36829G1076	US36829G1076	SCF	100	24	0.01	USD
OAO Rostelecom	US7785291078	US7785291078	RTL	100	24	0.01	USD
Polyus Gold Co	US6781291074	US6781291074	PLZ	100	24	0.01	USD
RusGidro OAO	US4662941057	US4662941057	RG2	100	24	0.01	USD
Tatneft' Imeni V.D.Shashina	US6708312052	US6708312052	TTF	100	24	0.01	USD
X 5 Retail Group N.V.	US98387E2054	US98387E2054	PJP	100	24	0.01	USD

The currency for quotation, trading and clearing of the new Russian equity options is US-dollar.

The following expiration months will be offered: The next three successive calendar months, the following three quarter expiration months of the cycle March, June, September and December and the following two expirations months of the June and December cycles.

The last trading day will be the third Friday of each expiration month. Exercises will be possible on each trading day until the end the post-trading period (20:00 CET).

For easier access to the complete contract specifications, please click on the following link:
http://www.eurexchange.com/documents/regulations/contract_specifications_en.html

3. Product Group

The new equity options will be assigned to the product group FNSOEU:

Russian Equity Options - Introduction on July 18, 2011				FLEX Product Code			
Name of the Underlying	**ISIN of the Underlying**	**Eurex Product Code**	**Product Group**	**Cash Settlement/ European Style**	**Physical Delivery / European Style**	**Cash Settlement/ American Style**	**Physical Delivery / American Style**
Gazprom Neftyanaya Kompaniya	US36829G1076	SCF	FNSOEU	SCF6	SCF7	SCF8	SCF9
OAO Rostelecom	US7785291078	RTL	FNSOEU	RTL6	RTL7	RTL8	RTL9
Polyus Gold Co	US6781291074	PLZ	FNSOEU	PLZ6	PLZ7	PLZ8	PLZ9
RusGidro OAO	US4662941057	RG2	FNSOEU	RG26	RG27	RG28	RG29
Tatneft' Imeni V.D.Shashina	US6708312052	TTF	FNSOEU	TTF6	TTF7	TTF8	TTF9
X 5 Retail Group N.V.	US98387E2054	PJP	FNSOEU	PJP6	PJP7	PJP8	PJP9

For further information to the assignment of products and product groups, please refer to Eurex circular 232/07, section 1.6.

4. Market-Making

The new equity options will be assigned to the group ID RU12. For these equity options Regular Market-Making (RMM) and Permanent Market-Making (PMM) will be available.

The Market Maker Obligations will be available on the Eurex website under the following path:

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

For direct access to the document click on the following link:

http://www.eurexchange.com/trading/market_model/market_making/obligations_en.html

5. Risk Parameters

Risk parameters will be published as of start of trading on the Eurex website under the path:

www.eurexchange.com > Clearing > Risk & Margining > Risk Parameters & Initial Margins

For easier access to the documents, please click on the following link:
http://www.eurexchange.com/clearing/risk/parameters_en.html

6. Trading Hours*

The following table contains all trading hours for group ID RU12:

Product	Pre-Trading	Trading	OTC Block Trading	Post-Trading Late
RU11, RU12	07:30-09:05	09:05-16:30	09:15-19:00	16:30-20:00

* All times in CET

7. Mistrade Parameters

Mistrade Ranges for the new equity options will be available for download on the Eurex website as of start of trading under the following path:

www.eurexchange.com > Trading > Products > Equity Derivatives > Equity Options

For easier access to the document, please click on the following link:
http://www.eurexchange.com/trading/products/EQU/OPT/products_en.html

8. Position Limits

Position limits will be published on the Eurex website as of start of trading under the following path:

www.eurexchange.com > Trading > Products > Equity Derivatives > Equity Options

For easier access to the document, please click on the following link:
http://www.eurexchange.com/trading/products/EQU/OPT/products_en.html

9. Data Vendor Codes

At start of trading, data vendor codes for the new products will be published on the Eurex website under the path:

www.eurexchange.com > Trading > Products > Vendor Product Code Search

For easier access to the document, please click on the following link:
http://www.eurexchange.com/trading/products/vendor_product_code_search_en.html

10. Trading Calendar

The existing trading calendar for the appropriate country segments applies. It can be found on the Eurex website under the path:

www.eurexchange.com > Trading > Trading Calendar

For easier access to the document, please click on the following link:
http://www.eurexchange.com/trading/calendar/2011_en.html

11. Transaction Limits, Minimum Size for Cross- and Pre-arranged Trades

The same values apply as for the existing euro-denominated equity options:

www.eurexchange.com > Technology > Transaction Limits

For direct access to the document, please click on the following link:
http://www.eurexchange.com/technology/transaction_limits_en.html

12. Transaction Fees

Fees for trading, clearing and settlement for the new Russian equity options will be in line with the fees for existing Russian Eurex equity options and will be invoiced in US-dollar (USD). For further details please refer to the current Price List for Eurex Clearing AG.

For direct access to the document please click on the following link:
http://www.eurexchange.com/documents/regulations/price_list_en.html

13. OTC Trade Entry Facilities

The minimum number of contracts to be traded by means of the Block Trade and Flexible Options Facilities for the new Russian equity options is one contract.

Members who are already registered for Block Trading and/or Vola Trading may use the Block Trade Facility for the new equity option without any further action.

Members wishing to participate in the OTC Trade Entry Facilities for the first time should confirm their acceptance of the General Participation Conditions by signing the appropriate form and returning it to Eurex. In addition, where the Member firm is a Non-Clearing Member, its General Clearer must sign and return the General Clearer's Declaration Agreement at the same time.

The necessary forms can be found on the Eurex website under the following path:

www.eurexchange.com > Documents > Forms > Trading Derivatives > Single Forms > OTC Trade Entry

For easier access to the documents, please click on the following link:

http://www.eurexchange.com/documents/forms/trading_derivatives/single/otc_en.html

An overview of the OTC Trade Entry Facilities available for these products and detailed information on all equity options on single product basis with regard to their availability, means of utilization and minimum entry size of the different OTC Trade Entry trading facilities can be found under the path:

www.eurexchange.com > Trading > Wholesale Trading > Wholesale Trading Parameters

For easier access to the documents, please click on the following link:
http://www.eurexchange.com/trading/wholesale/otc_en.html

The Flexible Options facility will be available upon acceptance of the General Conditions for Participation.

Should you have any questions, please contact Tobias Ehinger on tel. +49-69-211-1 72 31 or via e-mail: tobias.ehinger@eurexchange.com.

July 1, 2011

****

MODIFICATIONS ARE MARKED AS FOLLOWS:

INSERTIONS ARE UNDERLINED

DELETIONS ARE CROSSED OUT

****

[…]

2.6.10.1 Alterations of Contract Sizes, Exercise Prices und Expiration Days of Stock Options

[…]

(2) Additional distributions, in particular extraordinarily high dividends, bonuses or other cash distributions, or dividends which are not distributed within the scope of the regular dividend policy or which are declared as non-regular dividend by the company (e.g. special dividends, anniversary bonus) shall not be deemed to be dividends within the meaning of paragraph (1). In the event of such distributions, the respective stock options contracts shall be adjusted. The adjustments of such options contracts shall be carried out via the R-factor procedure. The R-factor shall be calculated pursuant to a formula established by the Eurex Exchanges, such formula considering the amount of the distribution. The adjustment of stock options contracts shall be carried out by multiplying the respective exercise price of the options contracts with the R-factor. In addition, the number of shares underlying the respective options contract shall be divided by the R-factor. Via application of the R-factor procedure, the original value of the adjusted stock options contracts shall be maintained.

For stock options with group ID RU11, RU12 assigned in Annex B, the following rules shall apply:

- In case the announcement of a distribution is executed after the due date of the dividend (record date) only, the relevant options series shall immediately be suspended from trading. The adjustment of the options series shall be carried out with effectiveness as of the next trading day.

- If a distribution is announced without indicating its amount and if such announcement cannot be expected before the record date, the relevant options series shall be suspended from trading on the record date. The adjustment of the options series shall be carried out on basis of the difference of the value of the volume-weighted average price of the underlying on the Exchange day before the record date and of the value on

the record date. The adjustment shall become effective on the Exchange day after the record date.

- If a distribution is announced without indicating its amount and if such announcement takes place after the record date only, the relevant options series shall immediately be suspended from trading. The adjustment of the options series shall be carried out on basis of the difference of the volume-weighted average price of the underlying on the Exchange day before the announcement and the day of announcement. The adjustment shall become effective on the Exchange day after the day of announcement of the distribution.

  When an option is exercised, the Eurex Exchanges will provide cash settlement for the fractional part of the new contract size.

The amount of such cash settlement shall be determined on the basis of the difference between the reduced exercise price of the option and the reference price (Chapter II, number 3.6.4 of the Clearing Conditions of Eurex Clearing AG).

[…]

(11) Regarding stock options with group ID RU11, RU12 assigned in Annex B, the price of the underlying required for adjustment of the exercise prices shall generally be calculated with the help of the volume-weighted average price.

[…]

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, RU12 and DE14 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, DE12, DE13, DE14 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.

[…]

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 **
[…]							
Gazprom Neftyanaya Kompaniya	SCF	RU12	XLON	100	24	0.01	USD
OAO Rostelecom	RTL	RU12	XLON	100	24	0.01	USD
Polyus Gold Co	PLZ	RU12	XLON	100	24	0.01	USD
RusGidro OAO	RG2	RU12	XLON	100	24	0.01	USD
Tatneft' Imeni V.D.Shashina	TTF	RU12	XLON	100	24	0.01	USD
X 5 Retail Group N.V.	PJP	RU12	XLON	100	24	0.01	USD
[…]							

* The group ID as well as the cash market ID shall be assigned by the Eurex Exchanges according to the following table and shall, amongst other things, serve the purpose of determining a market place for the price of the share underlying the contract.

** GBX: Pence Sterling

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 Stock Exchange	XSWX, XVTX
DE11, DE12, DE13, DE14, US11	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
IE11	Electronic Trading System of the Irish Stock Exchange	XDUB
IT11, IT12	Electronic Trading System of the Borsa Italiana	XMIL
NL11, NL12	Electronic Trading System of the NYSE Euronext Amsterdam	XAMS
RU11, RU12	Electronic Trading System of the London Stock Exchange	XLON
SE11, SE12	Electronic Trading System of the OMX - Stockholm Stock Exchange	XSSE

Annex C in relation to Contract Specifications:

[…]

Trading Hours Options Contracts

[…]

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
IE11	07:30-09:00	09:00-17:28	17:28-20:00	09:00-18:30	17:28	20:00
GB11	07:30-09:00	09:00-17:30	17:30-20:00	09:00-18:30	17:30	20:00
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, DE14	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, RU12	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

****

AMENDMENTS ARE MARKED AS FOLLOWS:

INSERTIONS ARE UNDERLINED

DELETIONS ARE CROSSED OUT

****

[…]

3. Transaction Fees for Derivatives Transactions (Transactions on the Eurex Exchanges and OTC-Transactions)

[…]

3.1 Matching of Exchange Transactions / Recording of Derivatives Transactions (Trade)

3.1.1 Exchange Transactions (excluding Block Auction)

[…]

Contract *	**Currency**	**Standard Fee per Contract** (contract volume ≤ threshold)	**Reduced Fee per Contract** (contract volume > threshold)	**Threshold A-Accounts** (number of contracts)	**Threshold P-Accounts** (number of contracts)
[…]					
Stock Options/LEPOs with Group ID assigned in Annex B of the Eurex Contract Specifications					
AT11, AT12, BE11, BE12, DE11, DE12, DE13, DE14, ES11, ES12, FI11, FI12, FI13, FR11, FR12, IE11, IT11, IT12, NL11, NL12, SE11, US11	EUR	0.10	0.05	1,000	500
CH11, CH12, CH13	CHF	0.15	0.08	1,000	500
RU11, RU12	USD	0.15	0.08	1,000	500
GB11	GBP	0.15	0.08	1,000	500
[…]					

[…]

3.1.3 OTC Transactions

(1) […]

(2) [...]

Contract	Currency	**Standard Fee per Contract** (contract volume ≤ threshold)	**Reduced Fee per Contract** (contract volume > threshold)	**Threshold A-Accounts** (number of contracts)	**Threshold P-Accounts** (number of contracts)
[…]					
Stock Options/LEPOs with Group ID assigned in Annex B of the Eurex Contract Specifications*					
AT11, AT12, BE11, BE12, DE11, DE12, DE13, DE14, ES11, ES12, FI11, FI12, FI13, FR11, FR12, IE11, IT11, IT12, NL11, NL12, SE11, US11	EUR	0.10	0.05	1,000	500
CH11, CH12, CH13	CHF	0.15	0.08	1,000	500
RU11, RU12	USD	0.15	0.08	1,000	500
GB11	GBP	0.15	0.08	1,000	500
[…]					

* For security transactions in shares resulting from Combination Transactions Option-Share, transaction fees according to Chapter 3.11 in connection with Chapter 9.1.1 shall be charged.

[…]

[…]

3.7 Exercise of Options

Contract	Fee per Contract	
Stock Options with Group ID assigned in Annex B of the Eurex Contract Specifications*		
AT11, AT12, BE11, BE12. DE11, DE12, DE13, DE14, ES11, ES12, FI11, FI12, FI13, FR11, FR12, IE11, IT11, IT12, NL11, NL12, SE11, US11	EUR	0.10
CH11, CH12, CH13	CHF	0.15
RU11, RU12	USD	0.15
GB11	GBP	0.15
[…]		

[…]

****

AMENDMENTS ARE MARKED AS FOLLOWS:

INSERTIONS ARE UNDERLINED

DELETIONS ARE CROSSED OUT

****

[…]

9 Admitted Products, Combinations and Combination Transactions Option-Share

[…]

9.3 Block Trade Functionality

[…]

9.3.1 Admitted Products:

Product	Minimum number of tradable contracts
[…]	
Options Contracts on Stocks with group ID AT12, BE12, DE12, ES12, FI12, FR12, IT12, NL12, RU12, SE12 assigned pursuant to Annex B of the Eurex Contract Specifications FI13 (OSTK)	1
[…]	

9.5 The Eurex Clearing AG has admitted the following products to the Flexible-Options-and the Flexible Futures Trade-Functionality:

I. Flexible Eurex Options Contracts	Minimum number of contracts to be traded
[…]	
Options contracts with group ID AT12, BE12, CH12, DE12, ES12, FI12, FR12, IT12, NL12, RU 12, SE12 (OSTK) assigned pursuant to Annex B of the Eurex Contract Specifications	1

I. Flexible Eurex Options Contracts	Minimum number of contracts to be traded

[…]

Annex A to the General Conditions for Participation:

OTC Periods of Use (all times in CET)

Futures-Contracts

[…]

Options Contracts

[…]

Options Contracts and Low Exercise Price Options on Equities of Stock Corporations

Product	OTC Trading
Options Contracts or LEPOs on Shares with Group ID assigned pursuant to Annex B of the Eurex Contract Specifications	Start-End
AT11, AT12, RU11, RU 12	09:15-19:00
GB11, IE11	09:00-18:30
All other Group IDs	09:00-19:00

[…]

****

AMENDMENTS ARE MARKED AS FOLLOWS:

INSERTIONS ARE UNDERLINED

DELETIONS ARE CROSSED OUT

****

[…]

Chapter II
Transactions at Eurex Deutschland and Eurex Zürich (Eurex Exchanges)

[…]

Part 3
Clearing of Options Contracts

[…]

3.6 Clearing of Options Contracts and Low Exercise Price Options on Shares

[…]

3.6.3 Reference Price

(1) For the determination of the reference price, the cash markets determined in the following are respectively assigned to the shares options respectively the LEPOs:

Group ID of the Option contracts pursuant to Annex B of the Eurex Contract Specifications	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 AG	XSWX, XVTX
DE11, DE12, DE13, DE14	Electronic Trading System of the Frankfurter Wertpapierbörse	XETR
ES11, ES12	Electronic Trading System of the Bolsa de Madrid	XMAD

Group ID of the Option contracts pursuant to Annex B of the Eurex Contract Specifications	Relevant Cash Market	ID of Cash Market
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
IT11, IT12	Electronic Trading System of the Borsa Italiana	XMIL
NL11, NL12	Electronic Trading System of the NYSE Euronex Amsterdam	XAMS
RU11, RU 12	Electronic Trading System of the London Stock Exchange	XLON
SE11, SE12	Electronic Trading System of the OMX Stockholm Stock Exchange[1]	XSSE

(2) […]

[…]

[1] The prices determined in Swedish Kronas shall be converted in Euros pursuant to the reference price determined by the European Central Bank on a daily basis.