X-pand into the Future

eurex circular 086/16

Date: 22 September 2016
Recipients: All Trading Participants of Eurex Deutschland and Eurex Zürich and Vendors
Authorized by: Mehtap Dinc

⚠ **Action required**

Change of settlement cycle for Spanish shares from T+3 to T+2

Related Eurex Clearing circular: 106/16

Contact: Michael Durica, Product R&D Equity and Index, T+49-69-211-1 59 23,
michael.durica@eurexchange.com

Content may be most important for:	**Attachment:**
➲ All departments	Updated sections of the Contract Specifications for Futures Contracts and Options Contracts at Eurex Deutschland and Eurex Zürich

Effective **29 September 2016**, the Management Board of Eurex Deutschland and the Executive Board of Eurex Zürich AG decided, in accordance with Eurex Clearing AG, to change the settlement cycle for

- options contracts and corresponding Low Exercise Price Options (LEPOs) and
- Single Stock Futures

with country code ES on Spanish shares from Trade Date +3 (T+3) to Trade Date +2 (T+2).

****

AMENDMENTS ARE MARKED AS FOLLOWS:

INSERTIONS ARE UNDERLINED

DELETIONS ARE CROSSED OUT

****

1. Part: Contract Specifications for Futures Contracts

[…]

1.6 Subpart: Contract Specifications for Futures Contracts on Shares

The following subpart contains the contract form for Futures Contracts on Shares ("Shares-Futures Contracts").

[…]

1.6.6 Settlement

(1) Settlement day of the Shares-Futures contracts to be fulfilled by cash settlement (Number 1.6.2 Paragraph 1) is the exchange day after the final settlement day.

The settlement is executed via cash settlement between the Clearing Members and Eurex Clearing AG. The responsible Clearing Member is in charge of the cash settlement to Non-Clearing Members and their own clients; the Non-Clearing Members are in charge of the cash settlement of Non-Clearing-Members to their clients.

(2) The delivery date of the Share Futures contracts to be fulfilled physically (Number 1.6.2 Paragraph 2) shall be the ~~third~~ second exchange day after the last trading day of the contract. All physical deliveries shall be made directly between the Clearing Members. Each Clearing Member shall be responsible for execution of the deliveries to Non-Clearing Members served by it and its own customers; the execution of deliveries by Non-Clearing Members to their customers is the responsibility of the Non-Clearing Members.

[…]

2. Part: Contract Specifications for Options Contracts

[…]

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

The following subpart contains contract specifications for Options Contracts on stocks of stock corporations (stock options) and low exercise price options on stocks of stock corporations (LEPOs). Depositary Receipts (Certificates representing shares) shall be regarded as shares. Annex B subsection 2.6. provides an overview on any tradeable stock options and LEPOs as well as the contract size (subsection 2.6.1), terms (subsection 2.6.4) and price gradations (subsection 2.6.11).

[…]

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 second exchange day,
- ~~in case of Options contracts and LEPOs on stocks with group ID ES11 and ES12 assigned in Annex B on the third 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 second exchange day,
- ~~in case of Options contracts on stocks with group ID ES11 and ES12 assigned in Annex B on the third 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.

[…]

****