X-pand into the Future

eurex *circular 043/12*

Date: March 1, 2012

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

Authorized by: Michael Peters

Volatility Options: A. Introduction of Additional Expiration Months for Options on VSTOXX®, B. Adjustment of Market Maker Scheme

Related Eurex Circular: 036/10

Contact: Rex Jones, Eurex Product Development, tel. +49-69-211-1 78 06,
e-mail: rex.jones@eurexchange.com

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

Summary:

Effective **March 22, 2012**, Eurex will enhance the existing VSTOXX® options contracts (OVS) by extending the available expiration months from four to eight as well as the corresponding adjustment of the Market Maker Scheme.

Volatility Options: A. Introduction of Additional Expiration Months for Options on VSTOXX®, B. Adjustment of Market Maker Scheme

A. Introduction of Additional Expiration Months for Options on VSTOXX®

Eurex will extend the number of expirations for VSTOXX® options contracts from currently four to eight. The current scheme, which consists of three consecutive monthly expirations and one quarterly expiration will be replaced by a new scheme with eight consecutive monthly expirations. Thus, the new expiration scheme includes all expirations of the old one.

B. Adjustment of Market Maker Scheme

For Market Makers, transaction fees for transactions concluded on the M-account will be refunded for the period of March 22, 2012 until December 31, 2012, provided they fulfil the following quote obligations. Each participant may act as Market Maker.

The following quote obligations will apply:

Minimum Quote Size: 25 contracts

Maximum Spread:

Bid up to	**Maximum Spread**
2	0.40 points
20	20% of bid price
9999.95	4 points

Quotation Time: 70 percent of the full trading time on an average monthly basis for calls and puts in five out of eleven strikes near the current at-the-money index value. Asymmetric quotation is allowed.

Expirations: Four out of eight expirations have to be quoted.

Incentive: 100 percent rebate on transaction fees for transactions concluded on the M-account between March 22, 2012 and December 31, 2012, if the monthly obligations have been fulfilled. In addition, revenue sharing will be offered: 50 percent of the net trading fees will be distributed among the top three Market Makers on a monthly basis. The amount will be determined as the ratio of the trading volume of one single Market Maker out of the total trading volume of the top three Market Makers.

March 1, 2012

****

AMENDMENTS ARE MARKED AS FOLLOWS:

INSERTIONS ARE UNDERLINED

DELETIONS ARE CROSSED OUT

****

[…]

2. Part: Contract Specifications for Options Contracts

[…]

2.8 Subpart: Contract Specifications for Volatility Index Options Contracts

[…]

2.8.4 Term

For Volatility Index Options Contracts, terms expiring on the final settlement day of the ~~next, the second succeeding and the third~~ eight succeeding delivery month<u>s</u> ~~and of the next following quarter month from the cycle February, May, August and November~~ are available on the Eurex Exchanges.

[…]