X-pand into the Future

e u r e x *circular 143/08*

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Recipients: All Trading Members of Eurex Deutschland and Eurex Zürich and Vendors
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High priority

Money Market Futures: Change of Contract Specifications for Options Contracts

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Content may be most important for:	**Attachments:**
Ü Front Office/Trading Ü Middle + Backoffice Ü Auditing/Security Coordination	Updated sections of: 1. Contract Specifications for Futures Contracts and Options Contracts at Eurex Deutschland and Eurex Zürich 2. Conditions for Utilization of the OTC Trade Entry Facilities (General Conditions for Participation)

In their session on Wednesday, May 14, 2008, the Management Boards of the Eurex Exchanges and the Executive Board of Eurex Clearing AG decided to change the Contract Specifications for Options Contracts on Money Market Futures Contracts as specified in attachment 1. At the same time, the Conditions for Utilization of the OTC Trade Entry Facilities (General Conditions for Participation) will be amended as stated in attachment 2.

The changes will become effective on **June 16, 2008**.

[….]

2.2 Subpart: Contract Specifications for Option Contracts on Money Market Futures Contracts

[….]

2.2.5 Term

~~Options are available at the Eurex Exchanges with terms consisting of the next four months of the cycle March, June, September and December. The due months of the underlying future and the expiration months of the option are identical~~

Options contracts are generally available at the Eurex Exchanges with terms of the three next months as well as seven succeeding months of the cycle March, June, September and December. The maturity months of the underlying future and of the expiration month of the option are identical in the expiration months March, June, September and December (quarterly month); in the other expiration months, the ~~due~~maturity month of the underlying future is the cyclic quarterly month following the expiration month of the option.

2.2.6 Last Trading Day, Close of Trading

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. This shall be the second Exchange day prior to the third Wednesday of the relevant performance month (quarter-end month pursuant to paragraph subsection 1.1.3 paragraph (1)) - provided that on this day the European Banking Federation (FBE) and Financial Market Association (ACI) have determined the reference interest rate EURIBOR for three-month cash deposits, otherwise the preceding Exchange day.

The close of trading for the expiring contract is 11:00 a.m. CET.

2.2.7 Exercise Prices

For the first three ~~due~~expiration months and the succeeding three quarterly expiration months, ~~O~~option series can have exercise prices with price gradations of 0.125 percentage points. The other expiration months have exercise price intervals of 0.25 percentage points. A percentage point has a value of EUR 2,500 and represents 200 ticks in the EDP system of the Eurex Exchanges.

2.2.8 Number of Exercise Prices upon Admission of Contracts

Upon the admission of a contract, at least ~~21~~ nine exercise prices shall be made available for trading for each expiration day for each call and put, such that ~~10~~ four exercise prices are "in the money", one is "at the money" and ~~10~~ four are "out of the money".

[….]

[….]

9 Admitted Products

[….]

9.3 Eurex Clearing AG has admitted the following products to the Block Trade Facility even if they had been entered within the scope of options strategies or options volatility strategies:

Product	Minimum number of tradable contracts
…	
Options Contracts on a Euro SCHATZ Future (OGBS)	50
Options Contracts on a Three-Months Euribor Future (OEU3)	50
…	

9.4 Eurex Clearing AG has admitted the following product combinations to the Vola Trade Facility:

Options Contract	Futures Contract
…	
Options Contracts on a Euro-SCHATZ-Future (OGBS)	Futures Contracts on a Notional Short-Term Debt Security of the Federal Republic of Germany (Euro SCHATZ Futures; FGBS
Options Contracts on a Three-Months Euribor Future	Futures Contracts on the Three-Months Euribor (FEU3)

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 on a Euro-Schatz Future (OGBS)	50
Options contracts on a Three-Months Euribor Future (OEU3)	50

[….]