X-pand into the Future

eurex circular 006/08

Date: Frankfurt, January 3, 2008
Recipients: All Trading Members of Eurex Deutschland and Eurex Zürich, all Clearing Members of Eurex Clearing AG and Vendors
Authorized by: Thomas Lenz

⚠ **Action required** ⚠ **High priority**

Exercise Parameters: Changes for all Options Products

Contact: Functional Helpdesk Clearing, Tel. +49-69-211-1 12 50

Content may be most important for:	**Attachments:**
➲ All departments	None

The following exercise parameters will be changed in the Eurex® system, effective from **February 4, 2008**:

a) The standard parameter for „in-the-money"-value will be changed from 99,999.99 (manual exercise) to 99.99 (absolute, automatic exercise). This will also affect all new products.
b) The maximum value will be changed to 99.99 (absolute) or 9.99% (in percentage). Thus, the current maximum value of 99,999.99 (manual exercises) will be invalid and will not be accepted anymore.
c) Members are therefore only allowed to use the values between 0.01 and 99.99 i.e. 9.99% in the future.

All options and **all** positions for **all** accounts will be changed as follows (also effective from February 4, 2008):

1. All unmodified parameters will be changed to the maximum absolute value of 99.99.
2. No changes will be made if the parameters have already been modified and lie between the value of 0.01 and the maximum (99.99 or 9.99%).
3. However, if the parameters have been modified but to a value exceeding the maximum value, they will be changed accordingly to the maximum value of 99.99 or 9.99%.

Naturally, Members can set their own parameters between 0.01 and the maximum value (99.99 or 9.99%) in the "Automatic Exercise Parameter Maintenance" window, as before.

These changes are necessary to ensure that positions, that are at least "in-the-money" in relation to the maximum value of 99.99, are exercised in order to minimize losses.

Members who still do not want to exercise their positions can use the "abandon" function in the "Exercise Overview" window ("Abandon" tab).

We therefore strongly recommend our participants to check and modify (if necessary) their parameters in the "Automatic Exercise Parameter Maintenance" window.

Eurex Clearing AG
Neue Börsenstraße 1
60487 Frankfurt/Main

T +49-69-211-1 17 00
F +49-69-211-1 17 01
customer.support@eurexchange.com

Chairman of the Supervisory Board: Prof. Dr. Peter Gomez

Executive Board: Andreas Preuß (CEO), Jürg Spillmann, Thomas Book, Thomas Lenz, Michael Peters, Peter Reitz

Aktiengesellschaft mit Sitz in Frankfurt/Main
HRB Nr. 44828
Amtsgericht Frankfurt/Main