X-pand into the Future

e u r e x *circular 020/01*

Date: Frankfurt, 27 March, 2001
Recipients: All Eurex members and vendors
Authorized by: Jürg Spillmann

⚠ **Action Required** ⚠ **High Priority**

Alternative Connections and Associated Price Model

Related Eurex Circulars: 018/00

Contact: Functional Member Readiness: Tel. +49-69-2101-1700

Content may be most important for:	**Attachments:**
➲ All Departments	1. Notification of Intent – Fax Reply 2. Eurex Transaction Fees

Summary:

In Eurex Circular 018/00 we announced an increase in the monthly minimum transaction fees and advised members that lower cost alternative methods of access were being developed. The Eurex price model has therefore been revised to take account of the new range of connection alternatives and, subject to regulatory approval, will come into effect on 01 July, 2001.

The circular describes three additional technical connection alternatives offered by Eurex to its members, and specifies the costs and monthly minimum transaction fees associated with each available connection type.

The new connection alternatives will be available from April, 2001. Notification of intent to migrate to one of the new options should be given on the attached fax-reply (Attachment 1).

Subject to regulatory approval, the new price model comes into effect from 01 July, 2001 for all members, whether they have migrated to the MISS architecture, or not. User Device installations are considered as Premium connections, and Internet access is not supported for User Devices

Members converting to one of the new connection types before 01 July, 2001 will be charged at the post-July rate for their target connection type. Provided the notification of intent is received by Eurex on or before 15th of the month, the new charges will take effect from the month of receipt of the notification; otherwise, from the month following. However, if the member fails to complete the migration within three months, the regular fees for the period concerned will be applied to the member retroactively.

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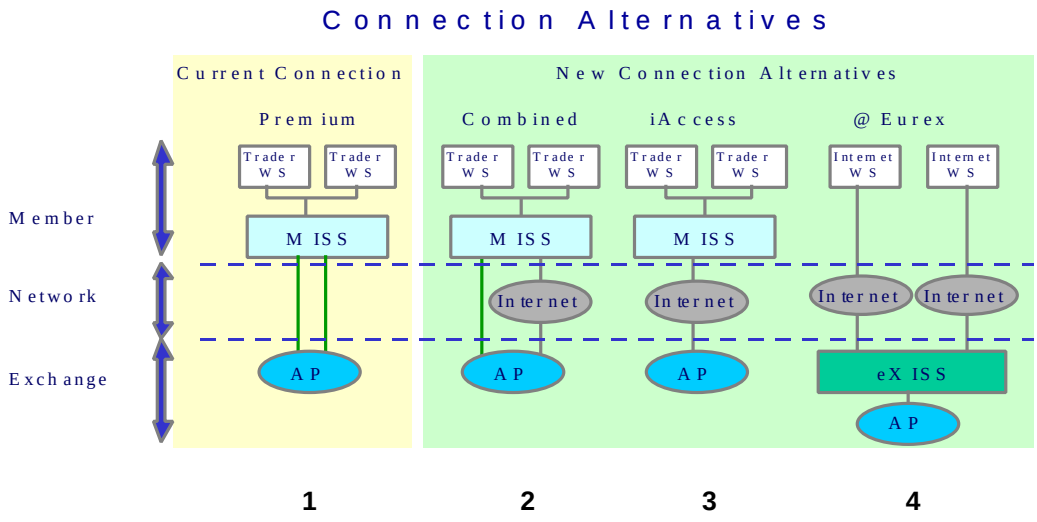
Management Board:
Rudolf Ferscha, Jürg Spillmann,
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Alternative Connections and Associated Price Model

In Eurex Circular 018/00 we announced an increase in the monthly minimum transaction fees and advised members that lower cost alternative methods of access were being developed. The Eurex price model has therefore been revised to take account of the new range of connection alternatives and, subject to regulatory approval, will come into effect on 01 July, 2001. From April, 2001 members will be able to continue with their current technical connection, or may choose one of three new alternative methods of access.

1. Connection Alternatives

Internet technology is the core feature of the new access opportunities offered by Eurex, and members can now choose between four different connection alternatives.



1 **Premium** connection consists of two dedicated lines between members' installations and an Access Point. It offers the highest levels of availability and security and is appropriate for high-volume members, clearers and market makers. Additional lines can be configured if required.

2 **Combined** access connects Eurex participants' installations to an Access Point via one dedicated line and one Internet line. The Internet connection acts as a back-up to the dedicated line, and under normal circumstances the dedicated line carries all of the Eurex data traffic. Members are free to choose their own Internet service provider. The combination of the fixed line and Internet back-up provides a high level of availability that offers a valid alternative for the majority of Eurex members.

3 **iAccess** uses Internet access exclusively (no dedicated lines) to connect members' installations to an Access Point. Members are responsible for selecting their own Internet service provider, who takes full responsibility for connection availability and performance. On the exchange side the use of data encryption, authentication of participant's IDs, and a duplicated firewall infrastructure provides security. This connection is ideal for low-volume members.

4 **@Eurex** supports access from a specially configured Eurex Internet Workstation to an exchange-operated Multi-Member MISS (**eXISS** – Exchange Integrated System Server) via the Internet. Members select their own Internet service provider to manage the connection. No MISS is required on the member site. A Smart-card is used to guarantee the highest security in terms of access to the system. This technical set-up is ideal for low volume participants who wish to minimize system administration and other technical responsibilities. The Internet Workstation is not open to support of third-party applications.

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Multi-Member Access

Multi-Member Front End installations are always connected to their Access Point with a Premium connection. Networking arrangements for the MISS/Workstation LAN are the responsibility of the MM-MISS provider.

Migration to Alternative Connection Type

Notification of intent to convert to one of the new options should be given on the attached fax-reply (Attachment 1).

The new connection alternatives will be available from April 2001. In all cases, members are responsible for arranging their own Internet connections with the Internet Service Provider of their choice. Clearing Members must at least be connected via Premium or Combined access as their main connection type.

Subject to regulatory approval, the new price model comes into effect from 01 July, 2001 for all members, whether they have migrated to the MISS architecture, or not. User Device installations are considered as Premium connections, and Internet access is not supported for User Devices

Members converting to one of the new connection types before 01 July, 2001 will be charged at the post-July rate for their target connection. Provided the notification of intent is received by Eurex on or before 15th of the month, the new charges will take effect from the month of receipt of the notification; otherwise, from the month following. However, if the member fails to complete the migration within three months, the regular fees for the period concerned will be applied to the member retroactively.

The first 40 members who wish to switch to a new access alternative, and who submit their notification of intent before 01 July, 2001, will be provided with the necessary router for the new Internet connection free of charge. If their migration is not completed within three months of the receipt of the notification of intent, these members will be charged for the router retroactively.

Back Office Service Provider

Eurex members or non-member third parties may offer back-office services to Eurex members. In such cases, Eurex will manage the set-up of the infrastructure on the exchange side.

2. Eurex Pricing and Fees Model from 01 July, 2001

Subject to approval from the regulatory authorities, the price model defined below will come into effect on 01 July, 2001 for all members.

Minimum Monthly Transaction Fees (Minimum MTF)

- Premium — EUR 6,000 per member [*1]
- Combined — EUR 3,000 per member
- iAccess — EUR 1,500 per member
- @eurex — EUR 1,000 per workstation
- Multi-Member Access — EUR 750 per member [*2]

[*1] All Multi-Member Front End providers (Eurex Members and non-Eurex Members) will be charged EUR 6,000 (Premium Connection). Eurex members will have be able to offset their own transaction fees against this charge.

[*2] Where a Multi-Member Front End user (not the provider) is a Eurex Member with its own installation as well, the fees will be charged for its own installation, and not the EUR 750 for the Multi-Member access.

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Eurex Communication Fees

Connection Type		Monthly Costs
Premium	2 dedicated lines 64 Kb	Free of charge [*3]
	Additional lines	EUR 1,500 per line
	Additional Combined	EUR 2,000 per installation
	Additional iAccess	EUR 1,000 per installation
	Additional @Eurex	EUR 750 per Workstation
Combined	1 dedicated line 64 Kb	Free of charge [*3]
	and Internet line	At member's cost
	Additional Combined	EUR 2,000 per installation
	Additional iAccess	EUR 1,000 per installation
	Additional @Eurex	EUR 750 per Workstation
iAccess	Internet lines	At member's cost
	Additional iAccess	EUR 1,000 per installation
	Additional @Eurex	EUR 750 per Workstation
@Eurex	Internet line per Workstation	At member's cost

[*3] For up to 3 trading locations

Back Office Service Provider

Non-Eurex Member Back-Office Service Provider	
Premium	EUR 6,000
Combined	EUR 3,000
IAccess and @Eurex	Not allowed
Eurex Member Back-Office Service Provider	
Premium or Combined	No additional charge to MTF
iAccess and @Eurex	Not allowed

Technical Services

Migration to alternative connection method	EUR 3,000 per migration[*4]
Additional BOF node address or BOF node change	EUR 1,000 per addition / change
Relocation of member installation	EUR 3,000 per relocation

[*4] Existing members returning the notification of Intent before 01 July, 2001 will be migrated once without charge.

Exchange Transaction Fees

For a summary of Eurex transaction fees please refer to Attachment 2. For the full list of fees, including position keeping charges refer to the 'Price List' section of the Eurex Rules and Regulations available on our web-site "www.eurexchange.com" under 'Marketplace'.

Frankfurt, 27 March, 2001

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Please return this Notification of Intent by Fax to

Eurex Functional Member Readiness ++49-69-2101-1701

From

Company / Member ID _____ _____

Name / First Name _____

Telephone _____ Fax _____

E-mail Address _____

☐ **Our company selects the following main connection type:**

- ☐ **Premium (2 dedicated lines)**
- ☐ **Combined (1 dedicated line and Internet back-up)**
- ☐ **iAccess (Internet only)**
- ☐ **@Eurex (Number of Workstations: _____)**

☐ **Our company connects only via a Multi-Member Installation**
Name of the Multi-Member MISS provider: _____

☐ **For additional services/further connection lines our company selects the following (please enter the number of additional connections/services):**

Main Connection / Additional Services/Connections	Premium	Combined	iAccess	@Eurex	Fixed price per month
Number of additional lines					EURO 1,500 (per line)
Number of additional Combined connections					EURO 2,000
Number of additional iAccess connections					EURO 1,000
Number of additional @Eurex-WS					EURO 750 (per WS)

_____ _____

Date Signature and company stamp:

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Eurex Transaction Fees

Equity and Index Products	Transaction Fee per contract	MM Transaction Fee per contract
DJ (Euro) STOXX® Futures	EUR 0.30	
DJ (Euro) STOXX® Options	EUR 0.30	EUR 0.15
DAX® Future	EUR 0.50	
DAX® Option	EUR 0.75	EUR 0.10 to 0.20
NEMAX® 50 Future	EUR 0.20	
NEMAX® 50 Option	EUR 0.20	EUR 0.10
SMI® Future	CHF 0.40	
SMI® Option	CHF 1.50	CHF 0.30
FOX™ Future	EUR 0.90	
FOX™ Option	EUR 0.90	EUR 0.60
Equity Options/LEPOs on German Shares	EUR 0.20	EUR 0.03 to 0.04
Equity Options/LEPOs on Swiss Shares	CHF 0.40	CHF 0.06 to 0.08
Equity Options/LEPOs on Finnish Shares	EUR 1.35	EUR 0.50 to 0.70
Equity Options/LEPOs on Dutch, French and Italian Shares	EUR 0.20	EUR 0.04

Capital Market Products	Transaction Fee per contract	MM Transaction Fee per contract
Euro SCHATZ Future, Euro BOBL Future, Euro BUND Future, Euro BUXL Future	EUR 0.20	
CONF Future	CHF 0.40	
Option on the Euro SCHATZ Future, Option on the Euro BOBL Future, Option on the Euro BUND Future	EUR 0.20	EUR 0.04

Money Market Products	Transaction Fee per contract	MM Transaction Fee per contract
One-Month Euribor Future	EUR 0.25	
Three-Month Euribor Future	EUR 0.25	
Option on the Three-Month Euribor Future	EUR 0.25	EUR 0.05