X-pand into the Future

e u r e x *circular 022/00*

Date: Frankfurt, 21 March 2000
Recipients: All Eurex members and vendors
Authorised by: Dr. Jörg Franke

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

Change to the Contract Size of Dow Jones Nordic STOXX 30^{SM} Future and Option

Related Eurex Circulars: 93/99

Contact: Peter Sack Tel. +49 (0)69-2101-5316.

Content may be most important for:

- ➲ Front Office / Trading
- ➲ Middle + Back Office
- ➲ Auditing / Security Administration

Attachments:
Full text of circular

1. Contract Specifications (English and German)
2. Trading Conditions (English and German)
3. Clearing Conditions (English and German)
4. Price List (English and German)
5. Market Maker Application

Summary:

On 22 February 2000 the Management Boards of the Eurex Exchanges decided to change the contract size of the Dow Jones Nordic STOXX 30^{SM} future and option. The old products have been suspended from trading since 24 February 2000 and will be de-listed.

Under the following headings, the attached circular describes details of the new products and their introduction to trading on 27 March 2000:

1. **Procedure**
2. **Contract Specifications**
3. **Trading and Clearing Conditions**
4. **Trading and Transaction Fees**
5. **Trading Hours (CET)**
6. **Margin Parameters**
7. **Market Order Matching Range**
8. **Quote Obligations for Market Makers**
9. **Mistrade Rule**
10. **Block Trades**
11. **Minimum Size for Cross- and Pre-arranged Trades**
12. **Transaction Limits**
13. **Market Making Applications**
14. **Preparation for Start of Trading**

Change to the Contract Size of Dow Jones Nordic STOXX 30^{SM} Future and Option

On 22 February 2000 the Management Boards of the Eurex Exchanges decided to change the contract size of the Dow Jones Nordic STOXX 30^{SM} future and option. Following the decision, since 24 February 2000, trading in those products has been suspended. The information below provides details on introduction of the new products.

1. Procedure

The existing option on the Dow Jones Nordic STOXX 30^{SM} index (ONOR) and future on the Dow Jones Nordic STOXX 30^{SM} index (FNOR) will be de-listed. A new option on the Dow Jones Nordic STOXX 30^{SM} index and future on the Dow Jones Nordic STOXX 30^{SM} index will be introduced on 27 March 2000 subject to the approval of the Exchange Council of Eurex Deutschland and the Administrative Council of Eurex Zürich. The new contract size for both products will be 10 euro per index point. Exchange codes and ISINs will be unchanged from those of the previous products.

2. Contract Specifications

The new Eurex contract specifications for the option on the Dow Jones Nordic STOXX 30^{SM} index and the future on the Dow Jones Nordic STOXX 30^{SM} index are provided as Attachment 1.

3. Trading and Clearing Conditions

The relevant sections of the Trading and Clearing Conditions for the option on the Dow Jones Nordic STOXX 30^{SM} index and the future on the Dow Jones Nordic STOXX 30^{SM} index can be found in Attachments 2 and 3. There are no changes to the previous Clearing Conditions sections, and they are included only for completeness.

4. Trading and Transaction Fees

The new trade and transaction fees are in the Price List (Attachment 4). Transaction fees for Market Makers in the option on the Dow Jones Nordic STOXX 30^{SM} index will be waived up to and including 30 June 2000.

5. Trading hours (CET)

The trading hours have been changed as follows:

	FNOR/ONOR
Pre-Trading	07:30 - 08:30
Opening/Trading	08:30 - 17:30
Post-Trading	17:30 - 19:30

6. Margin Parameters

Margin Class (new): NOR (FNOR, ONOR):	320 points = 3,200 EUR
Spread Rates (Spot/Back Month):	700 EUR each

7. Market Order Matching Range

The market order matching range for the Dow Jones Nordic STOXX 30^{SM} Index future is specified as 5 index points (5 ticks).

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Management Board:
Dr. Jörg Franke, Otto E. Nägeli
Andreas Preuß, Jürg Spillmann

8. Quote Obligation for Market Makers

The quote obligation for market makers on quote requests for the Dow Jones Nordic STOXX 30^{SM} Index option is specified as follows:

- **General**: A minimum of 50% of quote requests are to be answered up to a maximum of 150 per day, within 1 minute, with a minimum holding time of 10 seconds.
- **Minimum Size**: 10 lots each for bid and ask
- **Maximum Spread**:

Bid	Spread
up to 5 points	1 point
from 5 points to 100 points	20 %
above 100 points	20 points

9. Mistrade Rule

The interval for the Dow Jones Nordic STOXX 30^{SM} Index future, in relation to subsection 1.2.5 paragraph (2) of the Implementation Regulations for the Handling of Erroneous Entries, is specified at 20 percent of the additional margin (as for all other Eurex futures on stock indices).

10. Block Trades

The minimum block trade size for options on the Dow Jones Nordic STOXX 30^{SM} index is set at 250 contracts.

11. Minimum Size for Cross- and Pre-arranged Trades

The minimum order sizes for Cross and Prearranged Trades, in accordance with subsection 1.3.3 of the Trading Conditions, are as follows:

Dow Jones Nordic STOXX 30^{SM} Index future: 250 contracts each.
Dow Jones Nordic STOXX 30^{SM} Index option: 250 contracts each.

12. Transaction Limits

Transaction limits for the respective products per day and per participant are set as follows:

Dow Jones Nordic STOXX 30^{SM} Index option: 6,000 transactions each
3,000 Massquote-Release transactions each

Dow Jones Nordic STOXX 30^{SM} Index future: 6,000 Transactions each

13. Market Making Applications

Attachment 5 is the application form for Market Making in the Dow Jones Nordic STOXX 30^{SM} Index option.

Please note that any existing Market Maker agreement for the previous option is no longer valid, and a new Market Maker Application must be made for the new product.

In order to allow the option to be admitted to trading on time, please complete the Application and return it to Peter Sack at Eurex Product Development on Fax +49 (0)69-2101-4461.

14. Preparation for Start of Trading

- On 23 March 2000 (Thursday) the products will be set up in the Eurex system. Corresponding back office messages will be generated.
- On 24 March 2000 (Friday) settlement prices with a value of EUR 0.01 will be sent after 19.00 CET for all contract months in the relevant products. Additionally, transactions for the PMI file will be generated. Within the scope of the daily transmission of theoretical prices, prices will also be transmitted for these products. Please ignore them.
- On 27 March 2000 (Monday) trading in the corresponding products will commence. Orders may be entered into the Eurex system from 07.30 CET.

Our Help-desks are available to answer any general questions you may have:

Technical Help-desk	Functional Help-desks
+49 (0)69-2101-1200	+49 (0)69-2101-1220 Index Products +49 (0)69-2101-1250 Clearing

If you have any questions relating to the content of the circular, please contact Peter Sack, Tel. +49 (0)69-2101-5316.

Frankfurt 21 March 2000

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Dow Jones Nordic STOXX 30^{SM} Index Futures

Nordic Stock Index (FNOR)

Contract Standard

Dow Jones Nordic STOXX 30^{SM} Index

Contract Value

EUR 10 per Dow Jones Nordic STOXX 30^{SM} Index point.

Settlement

Cash settlement based on the final settlement price, payable on the first exchange trading day immediately following the last trading day.

Quotation

In points

Minimum Price Movement

1 point, representing a value of EUR 10.

Contract Terms

The three nearest months within the cycle March, June, September, December.

Last Trading Day

The third Friday of the expiration month, if that is an exchange trading day; otherwise, on the exchange trading day immediately prior to that Friday. Trading ceases in the expiring futures contract at 12:00 noon CET on the last trading day.

Daily Settlement Price

The last-paid price of the trading day; or, if the last-paid price is older than 15 minutes or does not reasonably reflect actual market conditions, then Eurex will establish the official settlement price.

Final Settlement Price

The average price of the Dow Jones Nordic STOXX 30 ^{SM} Index calculations performed between 11:50 a.m. and 12:00 noon CET on the last trading day. The final settlement price is determined at 12:00 noon CET on the last trading day.

Trading Hours

8.30 a.m. until 5:30 p.m. CET.

Dow Jones Nordic STOXX 30^{SM} Index Options

Nordic Stock Index (ONOR)

Underlying Instrument

Dow Jones Nordic STOXX 30^{SM} Index

Contract Value

EUR 10 per Dow Jones Nordic STOXX 30^{SM} Index point.

Settlement

Cash settlement based on the final settlement price, payable on the first exchange trading day immediately following the last trading day.

Quotation

In points with one decimal place.

Minimum Price Movement

0.1 of a point, representing a value of EUR 1.

Last Trading Day

The third Friday of the expiration month, if that is an exchange trading day; otherwise, on the exchange trading day immediately prior to that Friday. Trading ceases in the expiring options series at 12:00 noon CET on the last trading day.

Daily Settlement Price

The last-paid price of the trading day; or, if the last-paid price is older than 15 minutes or does not reasonably reflect actual market conditions, then Eurex will establish the official settlement price.

Final Settlement Price

The average price of the Dow Jones Nordic STOXX 30^{SM} Index calculations performed between 11:50 a.m. and 12:00 noon CET on the last trading day. The final settlement price is determined at 12:00 noon CET on the last trading day.

Exercise Period

European style, i.e. an option may only be exercised on the last trading day of the options series up to the end of the Post-Trading Period.

Expiration Months

The three nearest calendar months and the three following months within the cycle March, June, September and December; i.e. options contracts are available with a duration of 1, 2, 3, max. 6, max. 9 and max. 12 months.

Exercise Prices

Exercise price intervals for Dow Jones Nordic STOXX 30^{SM} Index options are as follows:

Expiration Months with a remaining term up to	Exercise Price Intervals, in Index Points
6 months	50
12 months	100

Each contract month will be introduced with at least five strike prices.

Option Premium

The EUR equivalent of the premium in points is payable on the first trading day immediately following the trade date.

Trading Hours

8.30 a.m. until 5:30 p.m. CET.

Conditions for Trading at Eurex Deutschland and Eurex Zürich

2.1.2 Sub-Subpart

Specifications for Futures Contracts on the Nordic Stock Index (Dow Jones Nordic STOXX 30^{SM} Index Futures)

2.1.2.1 Subject Matter of Contract

(1) A Dow Jones Nordic STOXX 30^{SM} Index Future is a futures contract on the Nordic Stock Index (Dow Jones Nordic STOXX 30^{SM} Index). The publications of STOXX Limited shall determine the composition, weighting and calculation of the Dow Jones Nordic STOXX 30^{SM} Index. The value of a contract shall be 10 EUR per index point.

(2) After the close of trading in the contract, the seller of a Dow Jones Nordic STOXX 30^{SM} Index Future shall pay in cash any difference between the agreed price and the higher final settlement price. The purchaser of a Dow Jones Nordic STOXX 30^{SM} Index Future shall pay in cash any difference between the agreed price and the lower final settlement price.

The final settlement price shall be determined by the Eurex Exchanges on the final settlement day for a contract (subsection 2.1.2.2 paragraph (2) sentence 2) according to the value of the Dow Jones Nordic STOXX 30^{SM} Index based on the average price fixings of the Dow Jones Nordic STOXX 30^{SM} Index on that particular day between 11.50 and 12.00 h CET.

(3) If any changes are made in the calculation of the Dow Jones Nordic STOXX 30^{SM} Index or its composition or weighting such that the concept of the Dow Jones Nordic STOXX 30^{SM} Index appears to be no longer comparable with the concept that applied when a futures contract was admitted to trading, the Boards of Management of the Eurex Exchanges may order the termination of trading in such contract as of 12.00 h CET of the last trading day prior to the change in the Dow Jones Nordic STOXX 30^{SM} Index. Open positions shall be settled in cash upon the termination of trading. The value of the Dow Jones Nordic STOXX 30^{SM} Index calculated on the basis of the average price fixings of the Dow Jones Nordic STOXX 30^{SM} Index on that particular day between 11.50 and 12.00 h CET, shall be used. New Contracts shall be introduced in accordance with subsection 2.1.2.2.

2.1.2.2 Term, Close of Trading

(1) Terms expiring on the final settlement day of the next, the second succeeding and the third succeeding quarter-end months (March, June, September, December) are available for trading at the Eurex Exchanges. The longest term of a contract is thus nine months.

(2) The last trading day of a contract shall be the final settlement day. The final settlement day shall be the third Friday of the relevant quarter-end month; provided, however, that if such Friday is not an Exchange day, the last trading day prior to such Friday shall be the final settlement day. Trading shall close on the last trading day at 12.00 h CET.

2.1.2.3 Price Gradations

The prices of the contracts shall be quoted in full index points without decimal places. The minimum change in price ("Tick") shall be 1 index point (10 EUR).

2.1.2.4 Performance, Cash Settlement

(1) The performance day shall be the Exchange day after the last trading day of the contract.

(2) Contracts shall be performed by cash settlement between Clearing Members and Eurex Clearing AG. Each Clearing Member shall be responsible for handling the cash settlements with the Non-Clearing Members served by it and its own customers; the handling of cash settlements by Non-Clearing Members to their customers is the responsibility of the Non-Clearing Members.

2.2.5 Sub-Subpart

Specifications for Options Contracts on the Nordic Stock Index (Dow Jones Nordic STOXX 30^{SM} Index Options)

2.2.5.1 Subject Matter of Contract

(1) The option contract relates to the Nordic Stock Index (Dow Jones Nordic STOXX 30^{SM} Index). The publications of STOXX Limited shall determine the composition, weighting and calculation of the Dow Jones Nordic STOXX 30^{SM} Index. The value of an option contract shall be 10 EUR per index point.

(2) If any changes are made in the calculation of the Dow Jones Nordic STOXX 30^{SM} Index or its composition and weighting such that the concept of the Dow Jones Nordic STOXX 30^{SM} Index appears to be no longer comparable with the concept that applied when the option was admitted to trading, the Boards of Management of the Eurex Exchanges may order the termination of trading in such option as of 12.00 h CET of the last trading day prior to the change in the Dow Jones Nordic STOXX 30^{SM} Index. Open positions shall be settled in cash upon the close of trading. The final value of the Dow Jones Nordic STOXX 30^{SM} Index calculated on the basis of the average price fixings of the Dow Jones Nordic STOXX 30^{SM} Index on that particular day between 11.50 and 12.00 h CET, shall be used. New contracts shall be introduced in accordance with subsection 2.2.5.6.

2.2.5.2 Call Option (Call)

(1) The purchaser of a call option ("Call") has the right to demand a payment equivalent to the difference between the exercise price of the option and any higher final settlement price of the option series ("Cash Settlement").

(2) The writer of a call shall be required to pay in cash, on the Exchange day after the exercise of the option, the difference between the exercise price of the option and any higher final settlement price of the option series; this shall also apply if the exercise is first assigned to the writer on the Exchange day following the day of exercise.

(3) The final settlement price shall be determined by the Eurex Exchanges on the exercise day of the contract on the basis of the value of the Dow Jones Nordic STOXX 30^{SM} Index based on the average price fixings of the Dow Jones Nordic STOXX 30^{SM} Index on that particular day between 11.50 and 12.00 h CET.

2.2.5.3 Put Option (Put)

(1) The purchaser of a put option ("Put") has the right to demand payment of an amount equivalent to the difference between the exercise price of the option and any lower final settlement price of the option series ("Cash Settlement").

(2) The writer of a put is required to pay in cash, on the Exchange day after the exercise of the option, the difference between the exercise price of the option and any lower final settlement price of the option series; this shall also apply if the exercise is first assigned to the writer on the Exchange day following the day of exercise.

(3) Subsection 2.2.5.2 paragraph (3) shall apply in respect of the determination of the final settlement price.

2.2.5.4 Option Premiums

The purchaser of an options contract is required to pay to the writer thereof the price for the purchase of the option right (the "Option Premium").

2.2.5.5 Term, Close of Trading, Expiration Day

(1) Options are available at the Eurex Exchanges with terms up to and including the next, the second and the third succeeding expiration days as well as up to and including the next 3 succeeding quarterly expiration days (March, June, September, December). Depending on the time of the purchase of the option, the term may be up to 12 months and 6 Exchange days.

(2) The last trading day of an option series shall be the last day on which such option series is available to the Exchange Participants for trading and clearing through the EDP system of the Eurex Exchanges; such day shall be the third Friday of the relevant month; provided, however, that if such Friday is not an Exchange day, the last trading day shall be the Exchange day prior to such Friday. Trading of an option series shall close on the last trading day at 12.00 h CET. The Boards of Management of the Eurex Exchanges may set another time for the close of trading which will have to be notified to the Exchange Participants in due time. The expiration day for an option series shall be the Exchange day following the last trading day.

(3) An option series may not be canceled as long as any Exchange Participant continues to hold open positions in such option series.

2.2.5.6 Exercise Prices

(1) Option series can have exercise prices with price gradations of 50 or 100 points. A point has a value of 10 EUR and represents 10 ticks in the EDP system.

(2) Upon the admission of a contract, at least 5 exercise prices shall be made available for each term for each call and put, such that two exercise prices are "in the money", one is "at the money" and two are "out of the money".

(3) Option series with new exercise prices shall be introduced for an existing expiration month no later than at the beginning of the Pre-Trading Period of a given Exchange day in the event that the last determination of the Dow Jones Nordic STOXX 30^{SM} Index on the Helsinki Stock Exchange (HEX) at the close of trading of the Dow Jones Nordic STOXX 30^{SM} Index options on the Eurex Exchanges on the two preceding Exchange days has exceeded or fallen below the average of the third- and second-highest or the third- and second-lowest then-existing exercise prices, as the case may be. A new option series shall generally not be introduced if it would expire in fewer than 5 Exchange days, unless market conditions make such introduction necessary.

2.2.5.7 Price Gradations

The prices of the options contracts will be quoted with one decimal place. The smallest price change shall be 0.1 points (1 EUR).

2.2.5.8 Exercise

(1) The holder of an option purchased on the Eurex Exchanges may only exercise such option up to the end of the Post-Trading-Period on the last trading day (subsection 2.2.5.5 paragraph (2)) thereof (European style).

(2) The Eurex Exchanges shall inform the Exchange Participants on each of the last 10 Exchange days before the last trading day of an option series of options contracts then becoming due.

(3) Each Exchange Participant is responsible for exercising its options contracts. Subject to subsection 2.2.5.8 paragraph (4), the Eurex Exchanges shall not automatically exercise any options contracts.

(4) With respect to the principal accounts of Exchange Participants (M- and P-accounts), the Boards of Management of the Eurex Exchanges may order an automatic exercise in accordance with the criteria set by the Boards of Management of the Eurex Exchanges.

(5) In the event of an EDP failure, the Eurex Exchanges must receive a written exercise request from the Exchange Participant concerned (e.g., by letter or telefax) no later than the end of the Post-Trading Period on the exercise day of the options contract. Any such request transmitted in writing to one of the Eurex Exchanges shall be deemed submitted to all Eurex Exchanges. The exercise request shall be entered by the Eurex Exchanges to the extent possible using reasonable efforts.

(6) The exercise of an option entered during the course of the exercise day may be altered until the end of the Post-Trading Period on the date of entry.

2.2.5.9 Assignment

(1) All exercises shall be assigned to the writers of the exercised option series after the end of the Post-Trading Period on the exercise day. Assignments shall be binding.

(2) The Exchange Participants and Clearing Members affected by any such assignment shall be notified thereof during the morning of the following Exchange day.

(3) Assignments shall be made through the Eurex Exchanges by a random selection process conducted in accordance with detailed rules. The assignment method shall be communicated to the Exchange Participants. Any change of such method shall become effective after notice thereof.

(4) All assignments made for the Agent Position Account of an Exchange Participant shall be assigned by such Exchange Participant to the positions of its customers, on the basis of a procedure that ensures the neutrality of the assignment process.

(5) All assignments made for the Principal Position Accounts or M-position Accounts of an Exchange Participant must be performed by such Exchange Participant and may not be transferred onward to its customers.

2.2.5.10 Performance, Cash Settlement

(1) The settlement day is the Exchange day after the exercise day.

(2) The performance of contracts shall be effected through cash settlement between the Clearing Members and Eurex Clearing AG. Each Clearing Member shall be responsible for handling the cash settlements with the Non-Clearing Members served by it and its own customers; the handling of cash settlements by Non-Clearing Members to their customers is the responsibility of such Non-Clearing Members.

Clearing Conditions for Trading at Eurex Deutschland and Eurex Zürich

2.1.2 Sub-Subpart

Settlement of Futures Contracts on the Nordic Stock Index (Dow Jones Nordic STOXX 30[SM] Index Futures)

2.1.2.1 General Provisions

(1) Eurex Clearing AG shall be a contracting party to all payments arising out of the settlement of Dow Jones Nordic STOXX 30[SM] Index Futures contracts.

(2) Clearing Members must fulfill their payment obligations in accordance with the instructions of Eurex Clearing AG.

(3) The following shall apply to the procedures for payment pursuant to paragraph (1): All payments shall be made directly between the Clearing Members through LZB on the Exchange day following the final settlement day. All Clearing Members must ensure their ability to effect payments on the due date thereof by having sufficient credit balances in their account at LZB.

2.1.2.2 Daily Settlement

(1) For each contract, profits and losses arising out of open positions on any Exchange day will be determined at the end of the Post-Trading Period and credited to or debited from the internal cash clearing account. For open positions from the previous Exchange day, the amount to be credited or debited shall equal the difference between the daily settlement prices of the contract in question on the relevant Exchange day and the previous Exchange day. For transactions on the relevant Exchange day, the amount to be credited or debited shall equal the difference between the price at which the transaction was concluded and the daily settlement price for such Exchange day.

(2) The daily settlement price shall be determined on the basis of the price of the last transaction entered into during the final 15 minutes of trading on an Exchange day. If it is not possible to determine a price pursuant to the above provision, or if the price so determined does not reflect the true market conditions, Eurex Clearing AG shall determine the settlement price.

(3) Paragraph (1) shall apply to the legal relationship between General Clearing Members or Direct Clearing Members and the Non-Clearing Members represented by them mutatis mutandis.

2.1.2.3 Margin Requirements

(1) The basic provisions for the margin requirements are set forth in subsections 1.3.1 to 1.3.5.

(2) The provisions of subsection 2.1.1.3 shall apply mutatis mutandis.

2.1.2.4 Performance

(1) Open positions from the last trading day of a contract shall be balanced on the final settlement day by means of a net payment credited to or debited from the internal cash clearing account of the Clearing Member. Such payment shall equal the difference between the final settlement price of

such contract and such contract's daily settlement price (subsection 2.1.2.2) on the Exchange day preceding the last trading day.

(2) The final settlement price shall be determined by the Eurex Exchanges on the final settlement day for a contract according to the value of the Dow Jones Nordic STOXX 30^{SM} Index based on the average price fixings of the Dow Jones Nordic STOXX 30^{SM} Index on that particular day between 11.50 and 12.00 h CET.

2.1.2.5 Default in Payment

Defaults or technical defaults in payment shall be subject to the provisions of subsection 1.7.1 paragraph (4) or subsection 1.7.2 paragraph (5) respectively.

2.2.5 Sub-Subpart

Settlement of Options Contracts on the Nordic Stock Index (Dow Jones Nordic STOXX 30^{SM} Index Option)

2.2.5.1 General Provisions

(1) Eurex Clearing AG shall be a contracting party to all payments arising out of the exercise and assignment of options contracts.

(2) Clearing Members must, in accordance with instructions of Eurex Clearing AG, make payments in respect of exercises and assignments of positions for the Clearing of which they are responsible.

(3) Eurex Clearing AG will inform each Clearing Member of the options contracts assigned to it on the morning of the Exchange day after exercise.

(4) The following provisions shall apply to the procedures for payments pursuant to paragraph (1):

All payments shall be made directly between the Clearing Members through LZB on the Exchange day following the exercise day; this shall also apply if the exercise is not assigned to the writer until the Exchange day following the exercise day. All Clearing Members must ensure their ability to effect payments on the due date thereof through sufficient credit balances in their account at LZB.

2.2.5.2 Option Premiums

The balance of the option premiums ("Net Premium") to be paid by the Clearing Members pursuant to subsection 2.2.5.4 of the Conditions for Trading at the Eurex Exchanges and to be reimbursed by Eurex Clearing AG shall be payable by the time specified by Eurex Clearing AG on the Exchange day following the conclusion of the transaction, but generally prior to the commencement of trading at the Eurex Exchanges on such Exchange day.

Clearing Conditions for Trading at Eurex Deutschland and Eurex Zürich

2.2.5.3 Margin Requirements

(1) The basic provisions for margin requirements are set forth in subsections 1.3.1 through 1.3.5. In addition thereto, the following conditions apply:

(2) Margin must generally be maintained to cover the costs of a potential closing of all positions at their daily settlement price ("Premium Margin"). The daily settlement price of an option series is the price of the last transaction entered into in such option series during the final 15 minutes of an Exchange day. If no transactions are entered into in such option series during such period, or if the use of such daily settlement price would not result in a margin requirement that would be adequate to cover the risk assessment of Eurex Clearing AG, Eurex Clearing AG shall determine the daily settlement price.

(3) For purposes of calculating the margin requirements for all option series, net long positions shall be treated as credit balances.

(4) In addition to the foregoing margin requirements ("Premium Margin"), a further margin requirement ("Additional Margin") shall be calculated in an amount sufficient to cover any change to the cost of closing all options positions assuming the least favorable price developments, as determined by Eurex Clearing AG, until the next calculation of margin.

2.2.5.4 Cash Settlement

(1) Exercised and assigned options positions shall be settled by means of a compensating payment credited to or debited from the internal cash clearing account of the Clearing Member.

(2) The cash settlement shall be equal to the difference between the exercise price of the option series and its final settlement price. The final settlement price shall be determined by the Eurex Exchanges on the exercise day for an option according to the value of the Dow Jones Nordic STOXX 30^{SM} Index based on the average price fixings of the Dow Jones Nordic STOXX 30^{SM} Index on that particular day between 11.50 and 12.00 h CET..

2.2.5.5 Default in Payment

Defaults or technical defaults in payment shall be subject to the provisions of subsection 1.7.1 paragraph (4) or subsection 1.7.2 paragraph (5) respectively.

Price List

2.1.2 Dow Jones Nordic STOXX 30[SM] Index Future

With respect to Dow Jones Nordic STOXX 30[SM] Index Futures fees for:

a.	order matching		
	- trade	per contract	1.50 EUR
b.	trade administration		
	- trade separation	per transaction	0.00 EUR
	- trade adjustment	per transaction	0.00 EUR
	- trade transfer	per transaction	0.00 EUR
c.	position administration		
	- position closing adjustment if these do not take place between 1:30 p.m. on the day of trade and 1:30 p.m. on the following trading day	per transaction	3.00 EUR
	- position transfer	per transaction	0.00 EUR
d.	settlement of trades and positions		
	- cash settlement	per contract	1.50 EUR

Price List

2.2.5 Dow Jones Nordic STOXX 30^{SM} Index Option

With respect to Options on the Dow Jones Nordic STOXX 30^{SM} Index Option, fees for:

a. order matching		
- trade	per contract	1.50 EUR
- trade (Market Maker)	per contract	0.50 EUR[1]
b. trade administration		
- trade separation	per transaction	0.00 EUR
- trade transfer	per transaction	0.00 EUR
- adjustment of an opening/closing transaction	per transaction	0.00 EUR
c. position administration		
- position closing transaction	per transaction	0.00 EUR
- position transfer	per transaction	0.00 EUR
- position transfer from Market Maker account	per contract	1.00 EUR[2]
d. settlement of trades and positions		
- exercise	per contract	1.50 EUR
- exercise (Market Maker)	per contract	0.50 EUR[3]
- exercise adjustment	per transaction	0.00 EUR

[1] 0,50 EUR will be charged from 03.07.2000. Until 30.06.2000 the fee is 0,00 EUR.
[2] 1,00 EUR will be charged from 03.07.2000. Until 30.06.2000 the fee is 1,50 EUR.
[3] 0,50 EUR will be charged from 03.07.2000. Until 30.06.2000 the fee is 0,00 EUR.

Application for the Granting of Market Maker Licences at Eurex

Eurex

Product Development/Products

60284 Frankfurt am Main

(Fax: ++49 (0)69 2101-4461)

Applicant

Name of applying exchange participant

Address

Name of contact

Phone No. Fax No.

Application for the Granting of Market Maker Licences pursuant to Subsection 3.3 of the Eurex Exchange Rules

I. We herewith apply for admission as Market Maker pursuant to Subsection 3.3 of the Eurex Exchange Rules.

Provided that the applying company is admitted as an exchange participant at Eurex Zürich, this application also applies to Eurex Zürich.

The granting of a Market Maker Licence is applied for regarding the trading in

Option contracts on equities with the following underlying(s):

☐ AAR (ABN Amro)	☐ CAR (Carrefour)	☐ ETV (EM. TV & Merchand.)	☐ KAR (Karstadt)
☐ ABBN (ABB)	☐ CBK (Commerzbank)	☐ FME (Fresenius Med.Care)	☐ LHA (Lufthansa)
☐ ADEN (Adecco)	☐ CIBN (Ciba Spezialitäten)	☐ FTE (France Telecom)	☐ LIN (Linde)
☐ ADS (Adidas)	☐ CLN (Clariant)	☐ FOT (Fortum Corporation)	☐ LONN (Lonza)
☐ AEN (Aegon)	☐ CSGN (Credit Suisse Gr.)	☐ GEX (Vivendi)	☐ LOR (L'Oreal)
☐ ALUB (Algroup)	☐ CSO (Consors)	☐ HEN3 (Henkel Vz.)	☐ MAN (MAN)
☐ ALV (Allianz)	☐ DBK (Deutsche Bank)	☐ HEPE (Helsinki Tel. Corp.)	☐ MEO (Metro)
☐ ASG (Generali)	☐ DCX (Daimler Chrysler)	☐ HOEC (Hoechst)	☐ MMN (Mannesmann)
☐ AVE (Aventis)	☐ DHA (Degussa Hüls)	☐ HOL (Holderbank)	☐ MOB (Mobilcom AG)
☐ AXA (AXA-UAP)	☐ DRB (Dresdner Bank)	☐ HUKI (Huhtamäki I)	☐ MSRB (Metsä-Serla Corp.B)
☐ BAS (BASF)	☐ DTE (Deutsche Telekom)	☐ HVM (Bayer.Hypo-.Vereinsb.)	☐ MUV2 (Münchner Rück.)
☐ BAY (Bayer)	☐ ENT (ENI)	☐ INN (ING)	☐ NESN (Nestlé)
☐ BMW (BMW)	☐ ENUR (StoraEnso R)	☐ IFX (Infineon Technologies AG)	☐ NOA3 (Nokia Corporation A)
☐ BNP (BNP Paribas)	☐ EPC (Epcos AG)	☐ ISH (Intershop Comm. AG)	☐ NOVN (Novartis)

☐ PHI (Philips St.)	☐ RWE (RWE)	☐ SOY (Sonera Corporation)	☐ UHRN (The Swatch Group)
☐ PRS (Preussag)	☐ SAP3 (SAP Vz.)	☐ SRN (SAir Group)	☐ UNI (Unilever)
☐ RAN (Rentenanstalt)	☐ SCH (Schering)	☐ SUN (Sulzer)	☐ VEB (Veba)
☐ ROG (Roche Holding)	☐ SCMN (Swisscom)	☐ TKA (Thyssen Krupp)	☐ VIA (VIAG)
☐ ROY (Royal Dutch)	☐ SET (Tele. Italia)	☐ TOTB (Total Fina)	☐ VLM (Metso Corporation)
☐ RPL (UPM-Kymmene Corp.)	☐ SIE (Siemens)	☐ TTEB (TietoEnator Corp.)	☐ VOW (Volkswagen)
☐ RUKN (Schweiz. Rückv.)	☐ SMPA (Sampo Insurance)	☐ UBSN (UBS AG)	☐ ZUAN (Zurich Allied)

☐ ODAX
Option contracts on the German Stock Index (DAX®)

☐ OFOX
Option contracts on the Finnish Stock Index (FOX®)

☐ OEU3
Option contracts on the Three-Month Euribor Future

☐ OSMI
Option contracts on the Swiss Market Index (SMI®)

☐ OGBL
Option contracts on Euro-BUND Futures

☐ OGBM
Option contracts on Euro-BOBL Futures

☐ OGBS
Option contracts on Euro-Schatz Futures

☐ ONOR
Option contracts on the Dow Jones Nordic STOXX 30

☐ OSTX
Option contracts on the Dow Jones STOXX 50

☐ OESX
Option contracts on the Dow Jones Euro STOXX 50

II. The functions associated with such Market Maker Licences will be carried out by the following persons who have already been admitted for trading at Eurex:

Name, first name	Product to be covered
Name, first name	Product to be covered
Name, first name	Product to be covered

We herewith declare that the persons listed above have the necessary professional and personal qualification to fulfil the Market Maker functions pursuant to Subsection 3.3 of the Eurex Exchange Rules.

III. We confirm that we know the Eurex Rules and Regulations and declare that we will comply with these provisions in their relevant current version.

Place and Date

Company Stamp and authorized Signature

March 2000