X-pand into the Future

e u r e x *circular 023/00*

Date: Frankfurt, 21 March 2000
Recipients: All Eurex members and vendors
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⚠ **High Priority**

1. Change to the Market Maker Minimum Quote Size for all "Neuer Markt" Equity Options
2. Change to the Market Maker Maximum Spreads for the Intershop Equity Option
3. Increase in Bid Size from 999.80 to 9999.80 for Market Maximum Spread 'Exceptions'

Related Eurex Circulars: 087/99, 014/00

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Content may be most important for:

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

Attachments:

1. Revised Market Maker Quote Obligations for German Equity Options

On 21 March 2000 the Management Boards of the Eurex Exchanges made the following decisions relating to the Market Maker quote obligations for German equity options:

1. The minimum quote size for all 'Neuer Markt' equity options will be reduced from 50 contracts to 10 contracts. This affects Consors, EM TV, Intershop, and Mobilcom.

2. The Market Maker maximum spreads for Intershop will conform to those defined for the 'Exceptions' group of companies.

3. In order to take account of the SAP Vz. and Intershop underlying prices, the 10% maximum spread for the 'Exceptions' now applies to bids from EUR 50 to EUR 9999.80

A revised copy of the Market Maker Quote Obligations for German Equity Options is attached, replacing that attached to Eurex Circular 014/00.

The changes will take effect immediately.

Market Making

German Equity Options

Quote Obligations

Minimum Size:

50 contracts on the bid and ask side in all option series for options included in groups A, B and C. Exceptions are MUV2 with 5 and Allianz, Consors, Em TV, Intershop, Mobilcom, and SAP Vz. with 10 contracts.[1]

Maximum Spread:

A) Regular Spread:

Group A:

Degussa, Henkel Vz., Karstadt, Linde, MAN, Metro

Group B and C:

Bayer, BASF, Bay. Hyp. und Vereinsbank, BMW, Commerzbank, Consors, Daimler Chrysler Deutsche Bank, Deutsche Telekom, Dresdner Bank, EM TV., Epcos, Fresenius Medical Care, Infineon, Lufthansa, Mannesmann, Mobilcom, Preussag, RWE, Veba, VIAG, Siemens, Thyssen Krupp, VW

Bid up to	*Spread*
1.33	0.20 EUR
6.66	15 %
999.80	1.00 EUR

B) Exceptions

Group A:

Adidas, Münchener Rückversicherung, SAP Vz. and Schering

Group B and C:

Allianz and Intershop

Bid up to	*Spread*
10.00	1.00 EUR
20.00	2.00 EUR
30.00	3.00 EUR
50.00	4.50 EUR
9999.80	10 %

Response to quote requests:

- At least 50 % of all Quote Requests have to be answered (up to a max. of 150 quote requests per day)
- within 5 minutes
- with a minimum holding time of 10 seconds

[1] **For the "Fast Market" product status a reduced Minimum Size of 25 contracts applies. Exceptions are Allianz, Consors, EM TV, Intershop, Mobilcom, and SAP Vz. with 5 and Münchner Rück. with 3 contracts**