X-pand into the Future

e u r e x *circular 004/02*

Date: Frankfurt, 17 January, 2002
Recipients: All Eurex members and vendors
Authorized by: Daniel Gisler

High Priority

Settlement of Options on Broadvision over the US Holiday on 21 January, 2002

Related Eurex Circulars: 120/01

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Content may be most important for:	**Attachments:**
➲ Front Office / Trading ➲ Middle + Back Office ➲ Auditing / Security Coordination	1. Holiday Regulations for 21 January, 2002 – Martin Luther King, Jr. Day 2. Holiday Regulations for 18 February, 2002 – Washington's Birthday

The underlying stock of the Eurex Neuer Markt option on Broadvision is a US stock, and will therefore be subject to the same holiday regulations on 21 January, 2002 as other US stock options traded at Eurex.

Section 1 of the holiday regulations for 21 January, 2002, attached to Circular 120/01, has been updated to clarify the situation, and the modified regulations are attached here.

The same clarification has been made to the regulations for the US holiday on 18 February, 2002, and these are also attached.

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Holiday Regulations for 21 January, 2002 – Martin Luther King, Jr. Day – Trading day for US Stock Products but no Clearing and Non-value Date

1. Procedures for 21 January, 2002
2. Special Considerations for the Day Following the Holiday

1. Procedures for 21 January, 2002

21 January, 2002 is the Martin Luther King, Jr. holiday in the USA. Settlement of US products (including the Neuer Markt stock option Broadvision) via Clearstream Banking Frankfurt (CBF) with DTC (Depository Trust Company) is not possible on an American holiday. All other euro-denominated products can be delivered by CBF, and all Swiss products can be delivered via SegaInterSettle (SIS). Equally, cross-border deliveries in CHF for Swiss products and in euro for German, French, Italian, Finnish, Dutch and non-US Neuer Markt products can be carried out.

1.1 Trading in all products

All Eurex products, including US products, can be traded at Eurex during their normal trading periods on 21 January, 2002. There are no related restrictions, which means that Trade Adjustments (incl. historical transactions), Exercises, Give-ups, Take-ups and Position Adjustments can be carried out.

1.2 Access to the Eurex System

All Trading members will have access to the Eurex system and will be able to trade all futures and options products.

1.3 CHF Payments from Clearing Members

The cash-calls calculated in CHF from the overnight batch processing of 18 January, 2002 (Premium and Variation Margin for non-Swiss Clearing members, and Premium, Variation Margin, and Additional Margin for Swiss Clearing members) will be transferred to the SIC system on 21 January, 2002 as on any normal day. The amounts will debited or credited to the members' SIC accounts on the same day.

1.4 Euro Payments from Clearing Members

The cash amounts (Cash Calls) calculated in euro for Premium and Variation Margin, as well as possible Margin Calls for non-Swiss Clearing members, and Premium, Variation Margin for Swiss Clearing members, from the batch of 18 January, 2002 will be credited or debited to members' cash accounts at LZB on 21 January, 2002, as on any normal day.

1.5 Clearstream and SIS Deliveries

The business operations of Clearstream and SIS are not affected by the holiday in America, and delivery instructions in non-US products can be executed. Cross-border settlement is also possible. Corresponding deliveries of US products will be settled one day later than normal (plus one day). For all deliveries of US products due across 21 January, 2002 (exercises from 16 January to 18 January, 2002) the value date will be extended by the system by one day to T+4. Value dates shown on Eurex reports will be automatically adjusted correctly.

1.6 Margin Calculations

On 21 January, 2002 the Eurex Clearing House will levy margin requirements for all Eurex products. For the US products, Additional Margin will be calculated as normal and new settlement prices will also be calculated as on normal days.

US Products:

Wednesday 16.01.2002	Thursday 17.01.2002	Friday 18.01.2002	Monday 21.01.2001	Tuesday 22.01.2002	Wednesday 23.01.2002	Thursday 24.01.2002	Friday 25.01.2002
Exercise/ Assignment Day T	Day T + 1	Day T + 2	(plus 1 Day)	Delivery at CBF Day T + 4			
	Exercise/ Assignment Day T	Day T + 1	(plus 1 Day)	Day T + 3	Delivery at CBF Day T + 4		
		Exercise/ Assignment Day T	(plus 1 Day)	Day T + 2	Day T + 3	Delivery at CBF Day T + 4	
			Exercise/ Assignment Day T	Day T + 1	Day T + 2	Delivery at CBF Day T + 3	
				Exercise/ Assignment Day T	Day T + 1	Day T + 2	Delivery at CBF Day T + 3

1.7 BOF Files/VALUES Broadcasts

On 21 January, 2002 complete BOF transmissions/VALUES-API Broadcasts will be sent to members as appropriate.

1.8 Settlement Prices for US Products

Settlement prices for US products will be fixed after the close of trading on 21 January, 2002, as on normal days, and will be sent to members as corresponding BOF messages / VALUES-API broadcasts. These settlement prices will be newly calculated as on normal days. New theoretical prices for all products, as on any normal day, will be generated during the batch and transmitted to members after the calculation.

1.9 Netting of US Positions on 18 January, 21 January and 22 January, 2002

US positions from 18 January, 2002 can be closed out until 13.30 CET on 21 January, 2002 without incurring late closing fees By close of trading on 21 January, 2002 positions from the same day can be closed out without charges. Historical transactions in US products are possible on 22 January, 2002. On 22 January, 2002 positions from 21 January, 2002 can be closed out until 13.30 CET without incurring late closing fees

2. Special Considerations for the Day Following the Holiday – Tuesday 22 January, 2002

2.1 Trading in US Products

All products can be traded as normal on 22 January, 2002.

2.2 SIC and LZB Accounting

As normal, SIC and LZB will receive one invoice or payment advice from Eurex for all Clearing members from the batch processing of 21 January, 2002.

2.3 Open Delivery Instructions at Clearstream

On 22 January, 2002 delivery instructions in US products can be executed again between all Clearing members.

Holiday Regulations for 18 February, 2002 – Washington's Birthday – Trading day for US Stock Products but no Clearing and Non-value Date

1. Procedures for 18 February, 2002
2. Special Considerations for the Day Following the Holiday

1. Procedures for 18 February, 2002

18 February, 2002 is the Washinton's Birthday holiday in the USA. Settlement of US products (including the Neuer Markt stock option Broadvision) via Clearstream Banking Frankfurt (CBF) with DTC (Depository Trust Company) is not possible on an American holiday. All other euro-denominated products can be delivered by CBF, and all Swiss products can be delivered via SegaInterSettle (SIS). Equally, cross-border deliveries in CHF for Swiss products and in euro for German, French, Italian, Finnish, Dutch and non-US Neuer Markt products can be carried out.

1.1 Trading in all products

All Eurex products, including US products, can be traded at Eurex during their normal trading periods on 18 February, 2002. There are no related restrictions, which means that Trade Adjustments (incl. historical transactions), Exercises, Give-ups, Take-ups and Position Adjustments can be carried out.

1.2 Access to the Eurex System

All Trading members will have access to the Eurex system and will be able to trade all futures and options products.

1.3 CHF Payments from Clearing Members

The cash-calls calculated in CHF from the overnight batch processing of 15 February, 2002 (Premium and Variation Margin for non-Swiss Clearing members, and Premium, Variation Margin, and Additional Margin for Swiss Clearing members) will be transferred to the SIC system on 18 February, 2002 as on any normal day. The amounts will debited or credited to the members' SIC accounts on the same day.

1.4 Euro Payments from Clearing Members

The cash amounts (Cash Calls) calculated in euro for Premium and Variation Margin, as well as possible Margin Calls for non-Swiss Clearing members, and Premium, Variation Margin for Swiss Clearing members, from the batch of 15 February, 2002 will be credited or debited to members' cash accounts at LZB on 18 February, 2002, as on any normal day.

1.5 Clearstream and SIS Deliveries

The business operations of Clearstream and SIS are not affected by the holiday in America, and delivery instructions in non-US products can be executed. Cross-border settlement is also possible. Corresponding deliveries of US products will be settled one day later than normal (plus one day). For all deliveries of US products due across 18 February, 2002 (exercises from 13 February to 15 February, 2002) the value date will be extended by the system by one day to T+4. Value dates shown on Eurex reports will be automatically adjusted correctly.

1.6 Margin Calculations

On 18 February, 2002 the Eurex Clearing House will levy margin requirements for all Eurex products. For the US products, Additional Margin will be calculated as normal and new settlement prices will also be calculated as on normal days.

US Products:

Wednesday 13.02.2002	Thursday 14.02.2002	Friday 15.02.2002	Monday 18.02.2002	Tuesday 19.02.2002	Wednesday 20.02.2002	Thursday 21.02.2002	Friday 22.02.2002
Exercise/ Assignment Day T	Day T + 1	Day T + 2	(plus 1 Day)	Delivery at CBF Day T + 4			
	Exercise/ Assignment Day T	Day T + 1	(plus 1 Day)	Day T + 3	Delivery at CBF Day T + 4		
		Exercise/ Assignment Day T	(plus 1 Day)	Day T + 2	Day T + 3	Delivery at CBF Day T + 4	
			Exercise/ Assignment Day T	Day T + 1	Day T + 2	Delivery at CBF Day T + 3	
				Exercise/ Assignment Day T	Day T + 1	Day T + 2	Delivery at CBF Day T + 3

1.7 BOF Information VALUES Broadcasts

On 18 February, 2002 complete BOF information VALUES broadcasts will be sent to members as appropriate.

1.8 Settlement Prices for US Products

Settlement prices for US products will be fixed after the close of trading on 18 February, 2002, as on normal days, and will be sent to members as corresponding BOF messages / VALUES-API broadcasts. These settlement prices will be newly calculated as on normal days. New theoretical prices for all products, as on any normal day, will be generated during the batch and transmitted to members after the calculation.

1.9 Netting of US Positions on 15 February, 18 February and 19 February, 2002

US positions from 15 February, 2002 can be closed out until 13.30 CET on 18 February, 2002 without incurring late closing fees By close of trading on 18 February, 2002 positions from the same day can be closed out without charges. Historical transactions in US products are possible on 19 February, 2002. On 19 February, 2002 positions from 18 February, 2002 can be closed out until 13.30 CET without incurring late closing fees

2. Special Considerations for the Day Following the Holiday – Tuesday 19 February, 2002

2.1 Trading in US Products

All products can be traded as normal on 19 February, 2002.

2.2 SIC and LZB Accounting

As normal, SIC and LZB will receive one invoice or payment advice from Eurex for all Clearing members from the batch processing of 18 February, 2002.

2.3 Open Delivery Instructions at Clearstream

On 19 February, 2002 delivery instructions in US products can be executed again between all Clearing members.