X-pand into the Future

e u r e x *circular 003/02*

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Recipients: All Eurex members and vendors
Authorized by: Peter Reitz

⚠ **High Priority**

Contract Size of the Eurex Stock Option on the Swiss Stock Sulzer

Related Eurex Circulars: 127/01

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Content may be most important for:

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

Attachments:

1. Contract Specifications – Swiss Stock Options
2. Contract Specifications – LEPOs on Swiss Shares

Due to changes in market conditions, on 10 January, 2002, the Management Boards of Eurex Deutschland and Eurex Zürich made the decision to introduce stock options on Sulzer AG not with a contract size of 100 shares as originally foreseen, but with a contract size of 10 shares.

The position limits and the margin parameter have been adjusted from the values given in Circular 127/01, as shown below:

Stock option	Code	WKN	ISIN	Position Limit	Market Maker Position Limit	Margin Parameter
Sulzer AG	SUN	854367	CH0002376454	**5500**	**16500**	**15%**

Other characteristics remain unchanged and stock options on Sulzer will be tradable at Eurex from **21 January, 2002**, as foreseen.

The contract specifications for Swiss stock options and LEPOs on Swiss shares which were issued with Circular 127/01 have been amended to reflect the new contract size, and are attached here.

Contract Specifications for:
Stock Options on Swiss Shares (OSTK)

Contract Size

Each contract is generally based on 100 shares of the underlying instrument, except for options on the shares below.

Options on Ciba Spezialitätenchemie, Givaudan, Holcim, Julius Bär, Lonza Group, Rentenanstalt/Swiss Life, SAIr Group, Serono, Sulzer, Swisscom, Syngenta, Unaxis and Zurich Financial Services have a contract size of 10 shares.

Minimum Price Movement

The minimum price change for options is CHF 0.01 except for those below:

Options on Ciba Spezialitätenchemie, Givaudan, Holcim, Julius Bär, Lonza Group, Rentenanstalt/Swiss Life, SAir Group, Serono, Swisscom, Syngenta, Unaxis and Zurich Financial Services have minimum price changes as follows:

Option price	Minimum Price Change
CHF 0.10 to CHF 9.90	CHF 0.10
CHF 10.00 to CHF 19.80	CHF 0.20
CHF 20.00 to CHF 299.50	CHF 0.50
CHF 300.00 and above	CHF 1.00

Settlement

Physical delivery of 100 shares or 10 shares, respectively, of the underlying instrument.

Settlement Day

Three exchange trading days after exercise.

Last Trading Day

The third Friday of each contract month, if this is an exchange trading day; otherwise, the exchange trading day immediately preceding that Friday.

Daily Settlement Price

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

Exercise Period

American style, i.e. an option can be exercised until 6:30 p.m. CET on any exchange trading day during the lifetime of the option.

Expiration Months

Options are available with terms up to and including:

Group A shares: the three nearest calendar months, as well as the two following months within the March, June, September and December cycle thereafter (i.e. up to a maximum lifetime of 9 months).

Group C shares: the three nearest calendar months, as well as the three following months within the March, June, September and December cycle thereafter, and the two following months of the June and December cycle thereafter (i.e. up to a maximum lifetime of 24 months).

Exercise Prices

Options series may have the following exercise prices:

Exercise Prices	Exercise Price Intervals
CHF 0 to CHF 5	CHF 0.20
CHF 5.50 to CHF 10	CHF 0.50
CHF 11 to CHF 20	CHF 1
CHF 22 to CHF 50	CHF 2
CHF 52.50 to CHF 100*	CHF 2.50
CHF 55 to CHF 200	CHF 5
CHF 210 to CHF400*	CHF 10
CHF 220 to CHF 400	CHF 20
CHF 425 to CHF 1.000*	CHF 25
CHF 450 to CHF 1.000	CHF 50
CHF 1.050 to CHF 2.000*	CHF 50
CHF 1.100 to CHF 2.000	CHF 100
CHF 2.100 to CHF 5.000*	CHF 100
CHF 2.200 to CHF 5.000	CHF 200
above CHF 5.000*	CHF 200
above CHF 5.000	CHF 400

*only for at-the-money options for the nearest 6 calendar months

For each expiration month, there are at least three call and three put series, providing an in-the-money, at-the-money and out-of-the-money exercise price.

Underlying Instruments

Eurex equity options on Swiss shares are traded in the following groups according to their expiration months:

Group A 1, 2, 3, 6 and 9 months	Group B 1, 2, 3, 6, 9 and 12 months	Group C 1, 2, 3, 6, 9, 12, 18 and 24 months
Adecco N (ADEN)	None	ABB N (ABB2)
Givaudan (GIVN)		Ciba Spezialitätenchemie Holding N (CIBN)
Holcim (HOL)		Clariant N (CLN)
Julius Bär (BAER)		Credit Suisse Group N (CSGN)
Kudelski (KUD)		Lonza Group (LONN)
Rentenanstalt/Swiss Life N (RAN)		Nestlé N (NESN)
Richemont (CFR)		Novartis N (NOVN)
SAir Group N (SRN)		Roche Holding GS (ROG)
Serono (SEO)		Swiss Re N (RUKN)
Sulzer N (SUN)		Swisscom (SCMN)
Syngenta (SYNN)		UBS (UBSN)
The Swatch Group N (UHRN		Zurich Financial Services N (ZURN)
Unaxis (UNAX)		

Option Premium

Payable in full on the exchange trading day immediately following the buy date.

Trading Hours

9:00 a.m. until 5:20 p.m. CET.

Contract Specifications for:
Low Exercise Price Options (LEPOs) on **Swiss Shares** *(OSTK)*

Underlying Shares with (LEPOs) on Swiss Shares

ABB N (ABB2)
Adecco N (ADEN)
Ciba Spezialitätenchemie Holding N (CIBN)
Clariant N (CLN)
Credit Suisse Group N (CSGN)
Givaudan (GIVN)
Holcim (HOL)
Julius Bär (BAER)
Kudelski (KUD)
Lonza Group AG (LONN)
Nestle N (NESN)
Novartis N (NOVN)
Rentenanstalt/Swiss Life N (RAN)
Richemont (CFR)
Roche Holding (ROG)
SAir Group N (SRN)
Schweiz. Rueckversicherung N (RUKN)
Serono (SEO)
Sulzer N (SUN)
Swisscom (SCMN)
Syngenta (SYNN)
The Swatch Group N (UHRN)
UBS AG N (UBSN)
Unaxis (UNAX)
Zurich Financial Services (ZURN)

Contract Size

Each contract is generally based on 100 shares of the underlying instrument, except for options on the shares below:

Options on Ciba Spezialitätenchemie, Givaudan, Holcim, Julius Bär, Lonza Group, Rentenanstalt/Swiss Life, SAir Group, Serono, Sulzer, Swisscom, Syngenta, Unaxis and Zurich Financial Services have a contract size of 10 shares.

Minimum Price Movement

The minimum price change for options is CHF 0.01 except for the shares below:

Options on Ciba Spezialitätenchemie, Givaudan, Holcim, Julius Bär, Lonza Group, Rentenanstalt/Swiss Life, SAir Group, Serono, Swisscom, Syngenta, Unaxis and Zurich Financial Services have minimum price changes as follows:

Option price	Minimum Price Change
CHF 0.10 to CHF 9.90	CHF 0.10
CHF 10.00 to CHF 19.80	CHF 0.20
CHF 20.00 to CHF 299.50	CHF 0.50
CHF 300.00 and above	CHF 1.00

Delivery

Physical delivery of 100 shares or 10 shares, respectively, of the underlying instrument.

Delivery Day

Three exchange trading days after exercise.

Last Trading Day

The third Friday of each contract month, if this is an exchange trading day; otherwise, the exchange trading day immediately preceding that Friday.

Daily Settlement Price

CHF 1 below the last-paid price of the underlying security on any given trading day.

Exercise Period

American style, i.e. an option can be exercised until 7:00 p.m. CET on any exchange trading day during the lifetime of the option.

Expiration Months

The two nearest months within the cycle March, June, September, December

Exercise Prices

All LEPO contracts have an exercise price of CHF 1.

Option Premium

Payable in full on the exchange trading day immediately following the buy date.

Trading Hours

9:00 a.m. until 5:20 p.m. CET.