X-pand into the Future

e u r e x *circular 039/01*

Date: Frankfurt, 10 May, 2001
Recipients: All Eurex members and vendors
Authorized by: Jürg Spillmann

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

ADEN, CLN and HOL Stock Splits

Related Eurex Circulars: 035/01

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Content may be most important for:

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

Attachments: None

Summary:

The Swiss companies Adecco, Clariant, and Holderbank have made the decision to split their stock. According to information from SWX Swiss Exchange, Adecco will be quoted ex-split from 14 May, 2001, Clariant will be quoted ex-split from 21 May, 2001 and Holderbank will be quoted ex-split from 23 May, 2001. The adjustments to the Adecco option (ADEN), the Clariant option (CLN) and the Holderbank option (HOL) will take place during the last batch run prior to the quotation ex-split for each of the respective companies.

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ADEN, CLN and HOL Stock Splits

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The initial quotation under new ISIN codes will take place on the following dates:

Product	Quotation ex-split	Old ISIN	New ISIN
ADEN	14 May 2001	CH0007009399	CH0012138605
CLN	21 May 2001	CH0009121978	CH0012142631
HOL	23 May 2001	CH0001880589	CH0012214067

The respective WKNs will remain unchanged.

The following adjustments will be made for the products mentioned above.

1. Adecco Option (ADEN) Split Ratio 10:1

With effect from 14 May, 2001, existing series will be adjusted with an R-factor of 0.1. For example, an exercise price of 1000 with a contract size of 10 will be adjusted to an exercise price of 100 with a contract size of 100. All adjusted series will be given the version number 1. After the stock split the standard contract size will be 100 shares. New series with version number 0 introduced after the split, due to price changes or introduction of new expirations, will also have a contract size of 100 shares. Consequently, there will be no difference between series with version number 1 or 0.

In future, exercise prices will be displayed to 2 decimal places. Firstly, before the split, one decimal place will be added with effect from 11 May, 2001 (e.g. 1000 will become 10000). The split will take effect from 14 May, 2001 (10000 will become 1000, where 1000 is equivalent to an exercise price of 100.0). A further decimal digit will be added with effect from 15 May, 2001 (e.g. 1000 becomes 10000, where 10000 corresponds to an exercise price of 100.00)

Additional changes valid from 14 May, 2001:

New ISIN: CH0012138605
Tick Size / Tick Value will change from CHF 0.10 to CHF 0.01
Minimum price change for all option prices will be CHF 0.01
Market Maker Maximum Spread:

Bid up to	Spread
0 -10	2.0
10.01 - 30.00	20%
> 30.00	6.0

2. Clariant Option (CLN) Split Ratio 10:1

With effect from 21 May, 2001, existing series will be adjusted with an R-factor of 0.1. By way of an example, an exercise price of 525 with a contract size of 10 would be adjusted to an exercise price of 52.5 with a contract size of 100. All adjusted series will be given the version number 1. After the stock split the standard contract size will be 100 shares. New series with version number 0 introduced after the split, due to price changes or introduction of new expirations, will also have a contract size of 100 shares. Consequently, there will be no difference between series with version number 1 or 0.

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For CLN as well, exercise prices will be displayed to 2 decimal places in future. Because exercise prices for this product currently have a maximum of three digits, the addition of the two decimal digits will be carried out in a single step with effect from 17 May, 2001 (e.g. 525 will become 52500, where 52500 corresponds to an exercise price of 525.00).

Additional changes valid from 21 May, 2001:

New ISIN: CH0012142631
Tick Size / Tick Value will change from CHF 0.10 to CHF 0.01
Minimum price change for all option prices will be CHF 0.01
Market Maker Maximum Spread:

Bid up to	Spread
0 -5	1.0
05.01 - 15.00	20%
> 15.00	3.0

3. Holderbank Option (HOL) Split Ratio 5:1

For Holderbank, the standard contract size following the split will remain at 10 shares. With effect from 23 May, 2001, existing series will be adjusted with an R-factor of 0.2, the contract size will remain unchanged, and position sizes will be multiplied by 5.

Example:

	Position	Exercise Price	Contract Size
Situation before the Split:	1 Contract	1800	10
Situation after the Split:	5 Contracts	360	10

Associated with the split procedure, the version number of existing series will be increased to 1. New series introduced after the split, due to price changes or introduction of new expirations, will have version number 0.

Additional changes valid from 23 May, 2001:

New ISIN: CH0012214067
Market Maker Maximum Spread:

Bid up to	Spread
0 –20.00	4.00
20.01 - 250.00	20%
> 250.00	50.00

4. Further Information

- On the day prior to the splits, all assignments to short call positions of the corresponding stocks on screen I030 (Contract Cover Assignment Entry) should be cancelled.
- On the day prior to their split, open deliveries in the affected securities will be cancelled, and replaced in the delivery system on the ex-date with the new ISIN and adjusted number of shares to deliver.
- On the ex-date, collateral balances will be modified to the new values in the Eurex system.

Please take account of the changes described above on the appropriate dates.

Frankfurt, 10 May, 2001

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