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To: All Eurex members and vendors

Date: Frankfurt, 26th March 1999

1. Introduction of a Roll-over Facility from Three-month Euromark to Three-month Euribor Futures
2. Transaction Fees for Odd-lot Index Products from 1st April 1999

Dear Sir or Madam,

1. Introduction of a Roll-over Facility from Three-month Euromark to Three-month Euribor Futures

To simplify position changes from Three-month Euromark Futures to Three-month Euribor Futures, the Eurex board has made the decision to introduce a roll-over facility in the form of an inter-product spread which permits the simultaneous purchase and sale of Euribor-Euromark spreads.

This product will be available for trading from Tuesday 13th April 1999 with the maturities JUN99, SEP99, DEC99, MAR00, JUN00, DEC00 and MAR01, and can be used in the permanent simulation environment from 31st March 1999 for test purposes.

The product specification is as follows:

Product Spread Code	WKN/ ISIN	Leg 1	Leg 2	Spread Ratio	Pricing Offset
EULI	966 065 DE0009660654	FEU3	LIB3	1:2	1.000

The '**Spread Ratio**' parameter signifies the number of the individual leg products which make up a product spread. The purchase of a FEU3-LIB3 spread (EULI) corresponds therefore to the purchase of one FEU3 contract and the sale of 2 LIB3 contracts. Through this ratio, an approximation is made in relation to the contract value of both products (2 million EUR compared to 1 million DEM).

The '**Pricing Offset**' parameter is required because a negative trade price cannot be displayed on the Futures trading screen. It is used to adjust the real trade price of the spread.

For a **FEU3-LIB3 spread** with a
FEU3 price of 97.110 (JUN 99), and a
LIB3 price of 97.120 (JUN99), this results in quotation of the price of the spread product EULI as:

FEU3-LIB3 +Offset , thus, 97.110 – 97.120 + 1.000 = 0.990

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This means that effective negative spread prices will be less than 1.00 (minus 0.10 becomes 0.90) and effective positive spread prices are prices greater than 1.00 (plus 0.80 becomes 1.80).

The ‘Spread Ratio’ and ‘Offset’ parameters are displayed in the Underlying Zone of the trading screen.

Following the known logic of the Eurex system, the purchase of a spread corresponds to the purchase of a number of Leg 1 contracts and the sale of a number of Leg 2 contracts, where the number of each is defined by the spread ratio.

Immediately after the close of trading, trades in a product spread are separated into two trades in the underlying contracts and posted in the individual position accounts. Individual trades which result from product spreads are designated in the TRAD review of the individual products by the combination type ‘9’.

Example

You have a long position of 100 contracts in 3-month Euromark Futures with June 99 maturity. You want to roll this position over to the June 99 contract of the 3-month Euribor Future. The price you wish to pay for this spread is minus 0.010.

You call up the trading screen of the corresponding Roll-over product via:
‘GOTO FUTO EULI’
In the June 99 contract of this product you submit the following order:
‘BUY 50 @ 0.990’ (the limit of 0.990 results from minus 0.010 plus 1.000 (Offset).

After execution of the order, the following trades will be booked:

BUY 50 (50*1) FEU3 June 99 @ 97.110 – Comb. Type ‘9’
SELL 100 (=50*2) LIB3 June 99 @ 97.120 – Comb type ‘9’

The actual price booked in the FEU3, however, will correspond to the current market price.

You now have the following positions

LIB3 JUN 99 Long100
FEU3 JUN 99 Long 50
LIB3 JUN 99 Short 100

Through use of a Position Closing Adjustment on Eurex you can net the LIB3 positions against each other in your back office system and you have effectively transferred your position into FEU3.

The trading of product spreads is available on the existing futures trading screens FUTO and FUTQ. The FUTS and FUTQ screens are not available for this purpose because time spreads connected with product spreads are not supported.

For the trading of a product spread, the valid limits for synchronous transactions correspond to those of the underlying future, which is 8,000 transactions per day. We would ask you to note that, as for all new products, the assignment of the EULI product spread must be carried out by your security co-ordinator via screen A020.

There are no transaction costs for this facility. Where the fees for the posting of the individual legs of the respective contracts result from a Roll-over, the fees will be reimbursed in full by Eurex Clearing AG at the end of the month.

If you have any questions the following Help-desks will be pleased to assist you:

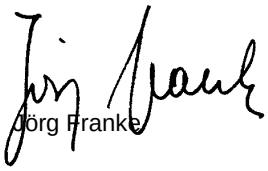
Interest Rate Products	+49-(0)69-2101-1240
Clearing	+49-(0)69-2101-1250

In addition, Stefan Brendgen from the Product Development department is available to deal with your questions: on +49-(0)69-2101-5743

2. Transaction Fees for Odd-lot Index Products from 1st April 1999

As described in section 3.1.2 of the fees table attached to Eurex Circular 76/98, we would like to remind you that from 1st April 1999 the transaction fees for all Odd-lot index products will be the same as for their corresponding Round-lot contracts.

Yours sincerely,



Jörg Franke



Hartmut Klein

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