X-pand into the Future

# e u r e x *circular 243/07*

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**Recipients:** All Trading Members of Eurex Deutschland and Eurex Zürich and Vendors
**Authorized by:** Peter Reitz

**High priority**

## Austrian Stocks: Introduction of five new Options

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| **Content may be most important for:** | **Attachments:** |
|---|---|
| Ü All departments | 1. Updated sections Contract Specifications for Futures Contracts and Options Contracts at Eurex Deutschland and Eurex Zürich<br>Only on the Eurex website:<br>2. Market Maker Obligations at Eurex |

**Summary:**

In their session on November 14, 2007, the Management Boards of the Eurex Exchanges approved the introduction of five options on Austrian shares.

The new products will be available for trading as of **December 10, 2007**. They will be included in the Eurex Austrian Market Making program effective **January 2, 2008**.

In **December 2007**, transaction fees for on-exchange or OTC transactions in options on Austrian shares and LEPOs pursuant to Sections 3.1.1.1 and 3.1.2.1 of the Price List will only be charged at the amount 50 percent, i.e., 10 euro cent instead of 20 euro cent per contract.

# Austrian Stocks: Introduction of five new Options

## 1. Introduction Date

In their session on November 14, 2007, the Management Boards of the Eurex Exchanges decided to introduce five options on Austrian shares. The introduction will take place on December 10, 2007.

## 2. Product Parameters and Contract Specifications

| Products Stock Options<br>Currency: EUR | Product ISIN | Product Code | Contract Size | Minimum Price Change | ISIN of the Underlying |
|---|---|---|---|---|---|
| Austrian Airlines | DE000A0SYH23 | AUA | 100 | 0.01 | AT0000620158 |
| Intercell | DE000A0SYH31 | ICL | 100 | 0.01 | AT0000612601 |
| Österreichische Post | DE000A0SYH49 | PST | 100 | 0.01 | AT0000APOST4 |
| STRABAG | DE000A0SYH56 | STR | 100 | 0.01 | AT000000STR1 |
| Wiener Städtische Versicherung | DE000A0SYH64 | WST | 100 | 0.01 | AT0000908504 |

The following expiration dates will be available: the next three contract months, the next three quarterly months and the next two following semi-annual contract months.

For the contract specifications of the different products please also see the Eurex website under the link:

**www.eurexchange.com > trading > products > equity derivatives > equity options**

## 3. Risk Parameters

Margin Parameters will be published in time on the Eurex website under the following path:

**www.eurexchange.com > Clearing > Risk & Margining > Risk Parameters**

It is not planned to publish a separate circular on this subject. The corresponding data will be available one week before start of trading at the latest. Members will be informed about the publication by means of a Newsboard message.

## 4. Mistrade Parameters

The Implementation Regulations for the Handling of Erroneous Entries at Eurex Deutschland and Eurex Zurich will remain unchanged. They can be found on the Eurex website under the following path:

**www.eurexchange.com > Documents > Rules&Regulations > Mistrade Regulations**

## 5. Market-Making

Effective January 2, 2008, the new products will be included in the Eurex Market-Making programs. Market Makers can select between the following three Market-Making models:

- Regular Market-Making (RMM)
- Permanent Market-Making (PMM)
- Advanced Market-Making (AMM).

The Austrian Advanced Market-Making package consequently comprises 16 stock options. The number of monthly exceptions for which no quotation is required, will be increased by two and thereby set to seven.

The table “Options on other Equities“ in the document “Market Maker Obligations at Eurex” will be extended by the following entries:

| **Product** | **Product Code** | **Spread Class** | **Minimum Quotation Size (Contracts)** | | **Number of expirations to be quoted for PMM/AMM;** the first | **AMM Package Code** |
|---|---|---|---|---|---|---|
| | | | **RMM** | **PMM/ AMM** | | |
| **Options on other Stocks** | | | | | | |
| Austrian Airlines | AUA | B | 10 | 5 | 4 | AT* |
| Intercell | ICL | B | 10 | 5 | 4 | AT* |
| Österreichische Post | PST | B | 10 | 5 | 4 | AT* |
| STRABAG | STR | B | 10 | 5 | 4 | AT* |
| Wiener Städtische Versicherung | WST | B | 10 | 5 | 4 | AT* |

* as of January 2, 2008

Spread class B comprises the following obligations:

| Bid up to | **Maximum Spreads (EUR)** | |
|---|---|---|
| | **Expiration months** | |
| | **≤ 8** | **> 8** |
| **Class B** | | |
| 0 - 1.00 | 0.20 | 0.25 |
| 1.01 - 15.00 | 20% | 25% |
| > 15.00 | 3.00 | 3.75 |

The complete Market Maker Obligations in their current version can be found on the Eurex website under the path:

**www.eurexchange.com > Trading > Market Model > Market-Making > Market Maker Obligations**

**6. Transaction Limits, Minimum Block Trade Size, Minimum Size for Cross- and Pre-arranged Trades, Trading Times and Trading Calendar**

For the new stock options, the present values for Austrian equity options will apply.

**7. OTC Function of Flexible Options**

The Flexible Options function will be available for the Austrian stock options, as well, subject to the acceptance of the General Conditions for Participation.

**8. Vendor Product Codes**

Vendor codes will be published on the Eurex website as of start of trading under:

**www.eurexchange.com > trading > products > vendor product code search**

**9. Preparations for Start of Trading**

- Approximately one week before start of trading, the new options and their associated Margin Classes will be set up in the Eurex® system. Members will be informed by means of a Newsboard message about the next activities such as about initial transmissions of settlement prices.
- Trading in the new equity options will start on December 10, 2007. Orders and quotes may be entered in the Eurex® system from 07:31 CET onwards.

**10. Transaction Fees**

Transaction fees for on-exchange or OTC transactions options on Austrian shares and LEPOs in December 2007 pursuant to Sections 3.1.1.1 and 3.1.2.1 of the Price List, will only be charged at the amount of 50 percent.

As an example, for one traded contract only 10 euro cent will be charged instead of 20 euro cent.

Accordingly, for regular transactions and OTC entries, the following applies:

| Contract | Fee per Contract A- and P-Accounts | Fee per Contract M-Accounts (Regular Market-Making) | Fee per Contract M-Accounts (Permanent Market-Making) | Fee per Contract M-Accounts (Advanced Market-Making) |
|---|---|---|---|---|
| **Equity options/LEPOs** | | | | |
| Equity options denominated in euro | EUR 0,20 | EUR 0,04 | EUR 0,04 | EUR 0,02 |
| Stock options/LEPOs<br>**Options on Austrian stocks (December 2007, only)** | **EUR 0.10** | **EUR 0.02** | **EUR 0.02** | **EUR 0.01** |

Frankfurt, November 26, 2007

[….]

Annex B in relation to subsection 2.6 of the contract specifications:

[….]

| Other Stock Options (EUR) | Produkt-ID | Country | Contract size | Term (month) | Minimum Price Change |
|---|---|---|---|---|---|
| […] | | | | | |
| Austrian Airlines | AUA | AT | 100 | 24 | 0.01 |
| Intercell | ICL | AT | 100 | 24 | 0.01 |
| Österreichische Post | PST | AT | 100 | 24 | 0.01 |
| STRABAG | STR | AT | 100 | 24 | 0.01 |
| Wiener Städtische Versicherung | WST | AT | 100 | 24 | 0.01 |
| […] | | | | | |

[….]