X-pand into the Future

e u r e x *circular 069/05*

Date: Frankfurt, May 10, 2005
Recipients: All Eurex members and vendors
Authorized by: Peter Reitz

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

AGF (AGF) – Cash Payment

Contact: Functional Helpdesk Equity Products, Tel. +49-69-211-1 12 10

Content may be most important for:	**Attachments:**
➲ Front Office / Trading ➲ Middle + Back Office ➲ Auditing / Security Coordination	none

Summary:

On May 23, 2005 the Annual General Meeting of the company AGF will suggest a dividend payment of EUR 2.60 to its shareholders. This amount is composed of the ordinary dividend of EUR 1.84 and an additional cash payment of EUR 0.76. Your were already informed on April 29, 2005 via the **Market Supervision Messages** window that an adjustment to the Eurex option on shares of the company AGF for existing series would be required.

This circular contains a description of the adjustment procedure.

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Management Board:
Rudolf Ferscha (CEO), Jürg Spillmann,
Daniel Gisler, Thomas Lenz,
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AGF (AGF) – Cash Payment

On May 23, 2005 the Annual General Meeting of the company AGF will suggest a dividend payment of EUR 2.60 to its shareholders. This amount is composed of the ordinary dividend of EUR 1.84 and an additional cash payment of EUR 0.76.

The ex day is planned for May 24, 2005.

As a result of this cash payment, an adjustment to the Eurex options on shares of the company AGF pursuant to Section 2.6.10.1 (2) of the Contract Specifications for Futures Contracts and Options Contracts at Eurex Deutschland and Eurex Zürich will be required.

Eurex already informed members on April 29, 2005 via the **Market Supervision Messages** window that an adjustment to the Eurex options on shares of the company AGF for existing series will be required. The procedure is as follows:

The closing auction price of the AGF share on May 23, 2005 is the basis for the adjustment. This price will firstly be reduced by the amount of the regular dividend. The resulting price will be used to calculate the adjustment factor (R-factor).

S1 = Closing auction price of the AGF share

S2 = S1 – ordinary dividend

S3 = S2 – additional cash payment

R-factor = S3/S2

Adjustment of the strike price will be made by multiplying by the R-factor. The contract size will be increased accordingly, so that the original contract value will be maintained.

C1 = old contract size

C2 = new contract size

X1 = old strike price

X2 = new strike price

C2 = (C1 * X1)/X2

The strike price and contract sizes resulting from the adjustment will be published immediately after close of trading on the last cum trading day, May 23, 2005, via the **Market Supervision Messages** window. The version number of adjusted series will be increased by 1. New series with version number 0 and the standard contract size of 100 will be introduced with effect from the ex day, May 24, 2005. All outstanding orders and quotes will be deleted after close of trading on May 23, 2005.

On exercise of an adjusted series, a cash payment will be made for the number of shares in excess of the standard contract size.

On the days preceding the corporate action, the **Contract Cover Assignment Entry** window should be used to delete all allocations of shares covering short call positions for the AGF product.

Please contact the Functional Helpdesk Equity Products, tel. +49-69-211-1 12 10, should you have any further questions.

Frankfurt, May 10, 2005

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