X-pand into the Future

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OTC Trades: Change of Price Validation

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Content may be most important for:	**Attachment:**
➲ All departments	Conditions for Utilization of the OTC Trade Entry Facilities (General Conditions for Participation)

Change of Price Validation of OTC Trades effective April 10, 2006

For Futures contracts on stock indices and shares, price intervals of OTC trades will result from the daily high and daily low values of the respective underlying. The cost of carry of the preceding trading day (difference from the settlement price of the Future and the closing price of the underlying on the preceding trading day) shall either be subtracted from or added to these values. When calculating the interval, a premium of 0.2 percent shall be added to the highest value and a reduction of 0.2 percent shall be subtracted from the lowest value.

For price validation of OTC trades of single stock futures, the underlying prices of the market places named hereafter are decisive:

Shares from Dow Jones EURO STOXX 50®	Electronic trading at the Frankfurt Stock Exchange (Xetra®)
Shares from German, Irish and Spanish stock corporations	Electronic trading at the Frankfurt Stock Exchange (Xetra®
Shares from Swiss stock corporations	virt-x Exchange Limited
Shares from French, Italian and Dutch stock corporations	Floor Trading of the Frankfurt Stock Exchange
Shares from Finnish stock corporations	Helsinki Stock Exchange (OMX)

Should automatic price validation not be possible (for example due to closed cash markets), please contact the Market Supervision Helpdesk at tel. +49-69-211-1 12 10.

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5 Contract Price of OTC Trades

5.1 The contract price of OTC Trades entered into the Eurex Clearing System using one of the OTC Trade Entry Facilities must lie within an interval determined by Eurex Clearing AG pursuant to subsection 5.2 and 5.3. If such interval cannot be determined pursuant to subsection 5.2 and 5.3, Eurex Clearing AG shall determine it at its own discretion.

5.2 For Futures Contracts, the intervals within the meaning of subsection 5.1 are generally determined as follows:

~~5.2~~5.2.1 As a general rule, the interval for futures contracts is between the daily high and low values of the respective futures contracts determined on the Eurex Exchanges on the respective exchange trading day, up to the time of entry of an OTC Trade.

The daily high value is defined by the higher value of the determined daily high value and synthetic daily high value. The synthetic daily value shall be determined by Eurex Clearing AG through the price margins between the settlement prices of the different expiration months of the futures contracts.

The daily low value is defined by the lower value of the quoted daily low value and synthetic daily low value. The synthetic daily low value shall be determined by Eurex Clearing AG through the price margins between the settlement prices of the different expiration months of the futures contracts.

In case there are no settlement prices on the Exchange day, the settlement prices of the day preceding the Exchange day shall be used for determination of the synthetic daily high and daily low values.

5.2.2 For Futures contracts on stock indices and on shares, the interval results from the daily high and daily low values of the respective underlying. The difference from the settlement price of the Future of the preceding trading day and the closing value/price of the preceding trading day of the respective underlying shall either be subtracted from (in case of negative difference) or added to (in case of positive difference) these values. When calculating the interval, a premium of 0.2 % shall be added to the highest value and a reduction of 0.2 % shall be subtracted from the lowest value.

When determining the interval pursuant to Clause 1 and 2, the price of the relevant share on the market place named hereafter is decisive for Futures contracts on shares:

Shares from Dow Jones EURO STOXX 50®	Electronic trading at the Frankfurt Stock Exchange (Xetra)
Shares from German, Irish and Spanish stock corporations	Electronic trading at the Frankfurt Stock Exchange (Xetra)
Shares from Swiss stock corporations	virt-x Exchange Limited
Shares from French, Italian and Dutch stock corporations	Floor Trading of FWB
Shares from Finnish stock corporations	Helsinki Stock Exchange (OMX)

~~When calculating the interval for futures contracts on stock indices, in each case a maximum deviation of up to 0,2 percent of the recorded daily high and low prices recorded on that trading day for the futures contract on a stock index is permitted.~~

5.3 For options contracts, theoretical maximum and minimum values for the option price of a Block Trade are determined during the trading day on the basis of the daily high and low values pursuant to number 5.2 of the respective underlying instrument, as recorded up to the time of entry of the Block Trade, and the respective implied volatilities established within the options market of the Eurex Exchanges. The interval thus determined is extended on all trading days except the expiration days at its extreme values by 50 per cent of the maximum Market Maker Quote Spread permissible for the respective product. On the expiration days, the interval will be extended by the whole valid maximum quote spread, resulting in the range of permissible option prices for Block Trades. If options strategies and options volatility strategies are entered, the daily high and daily low values shall be.

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