X-pand into the Future

e u r e x *circular 066/01*

Date: Frankfurt, 11 July, 2001
Recipients: All Eurex members and vendors
Authorized by: Jürg Spillmann

⚠ **Action Required**

Introduction of Neuer Markt Stock Options on Aixtron, Broadvision and Qiagen

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Content may be most important for:

➲ All Departments

Attachments:

1. Contract Specifications – Neuer Markt Stock Options
2. Contract Specifications – Neuer Markt LEPOs
3. Market Maker Quote Obligations and Quote Spread Classification of Options
4. Market Maker Application - Options

Summary:

On 23 July, 2001 Eurex will introduce stock options, including LEPOs, on the Neuer Markt stocks Aixtron, Broadvision and Qiagen, with maturities up to 12 months. As Broadvision and Qiagen are non-German stock corporations, the three new Neuer Markt stock options will be allocated to new categories of options with their own specifications. Corresponding new sections of the Rules and Regulations will be made available shortly.

The set-up of the new instruments will therefore follow the specifications for Neuer Markt stock options and LEPOs (Attachments 1 and 2).

A pre-condition of the introduction is that at least three market makers have agreed to quote each of the options.

The circular contains further information under the following headings:

1. Products and Product Parameters
2. Trading Phases for Neuer Markt Stock Options
3. Market Making
4. Data Vendor Codes
5. Transaction Limits and excess transaction fees, OTC Minimum Block Trade Size, Minimum Size for Cross- or Pre-arranged Trades, Trading Calendar, and Transaction Fees
6. Preparations for Start of Trading

Introduction of Neuer Markt Stock Options on Aixtron, Broadvision and Qiagen

On 29 May, 2001, the Management Boards of Eurex Deutschland and Eurex Zürich made the decision to introduce stock options, including LEPOs, at Eurex on the Neuer Markt stocks Aixtron, Broadvision and Qiagen. Maturities of up to 12 months will be introduced on 23 July, 2001.

As Broadvision and Qiagen are non-German stock corporations, the three new Neuer Markt stock options and LEPOs will be allocated to new option categories with their own specifications. Corresponding new sections of the Rules and Regulations will be made available shortly.

The set-up of the new instruments will follow the specifications for Neuer Markt stock options and LEPOs (Attachments 1 and 2).

The introduction will take place on condition that at least three market makers have agreed to quote each of the stock options.

1. Products and Product Parameters

The planned introduction date for the options below is 23 July, 2001. Expirations of AUG 01, SEP 01, OCT 01, DEC 01, MAR 02 and JUN 02 will be introduced on that date.

Stock Option	Eurex Code	WKN	ISIN	Position limit	Market Maker Position limit	Margin-interval
Aixtron	AIX	506620	DE0005066203	9,400	28,200	20%
Broadvision	BDN	901599	US1114121023	15,400	46,200	35%
Qiagen	QIA	901626	NL0000240000	20,800	62,400	19%

2. Trading Phases

Neuer Markt Stock Options

Pre-Trading	Trading	Post-Trading	Exercise Until
07:30 – 09:00 CET	09:00 – 20:00 CET	20:00 – 20:30 CET	20:30 CET

3. Market Making

Market making will follow the normal market making scheme for options at Eurex, with quote obligations as defined in Attachment 3. If you are interested in fulfilling the market maker function for these stock options, please complete the attached form (Attachment 4) and return it by fax, before 17 July, 2001, for the attention of **Holger Stürtz, on Fax No. +49 69-2101-4461**.

4. Data Vendor Codes

The data vendor codes will be published on our web-site “www.eurexchange.com” under ‘market place > products > vendor codes’.

5. Transaction Limits and Excess Transaction Fees, OTC Minimum Block Trade Size, Minimum Size for Cross- and Pre-arranged Trades, Trading Calendar and Transaction Fees

The same rules will apply as for existing German stock options.

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Management Board:
Rudolf Ferscha (CEO), Daniel Gisler
Thomas Lenz, Jürg Spillmann
Michael Widmer

6. Preparations for Start of Trading

- On 19 July, 2001 (Thursday) the Neuer Markt Options as well as the associated Margin Classes will be set up in the Eurex system. Corresponding back-office transactions will be transmitted electronically.
- On 20 July, 2001 (Friday) after close of trading, settlement prices for all tradable contract months of the Neuer Markt Options will be transmitted with a value of 0.10 points. In addition, transactions for the PMI file will be generated. On this day, the theoretical prices transmitted for these Neuer Market options during the end of day processing should be ignored.
- Trading in the Neuer Markt stock options on Aixtron, Broadvision and Qiagen will start on Monday 23 July, 2001. Orders and quotes may be entered into the Eurex system from 07:30 CET onwards.

Frankfurt, 11 July, 2001

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Contract Specifications for:
Stock Options on Neuer Markt Shares (OSTK)

Contract Size
Generally, an options contract gives the buyer of a call the right to buy - or, in the case of a put, the right to sell - 100 shares of the underlying security.

Minimum Price Movement
Options prices have price gradations of EUR 0.01

Delivery
Physical delivery of 100 shares of the underlying security.

Delivery Day
Two exchange trading days after the exercise in the case of options on German Neuer Markt Shares; and three exchange trading days after the exercise of Neuer Markt Equity Options that are based on Dutch or US shares.

Last Trading Day
The third Friday of the expiration month, if that is an exchange trading day; otherwise, on the exchange trading day immediately prior to that Friday.

Daily Settlement Price
The last-paid price of the trading day; or, if the last-paid price is older than 15 minutes or does not reasonably reflect actual market conditions, then Eurex will establish the official settlement price.

Exercise Period
American style, i.e. an option can be exercised up to 21:00 CET on any exchange trading day during the life of the option.

Expiration Months
Options are available with terms up to and including:

Group B shares: the three nearest calendar months, as well as the following three months within the cycle March, June, September and December thereafter (i.e. up to a maximum of 12 months).

Exercise Prices
Options series may have the following exercise prices:

Exercise prices	Exercise price gradation
to EUR 5	EUR 0.20
EUR 5.5 to EUR 10	EUR 0.50
EUR 11 to EUR 20	EUR 1
EUR 22 to EUR 50	EUR 2
EUR 52.50 to EUR 100[1]	EUR 2.50
EUR 55 to EUR 200	EUR 5
EUR 210 and above	EUR 20

For each expiration month, there are at least three call and three put series, each with an in-the-money, at-the-money and out-of-the-money strike price.

[1] Only for the first and second contract months, and only for at-the-money exercise prices

Optionable Stocks

Eurex stock options on Neuer Markt stocks are traded in the following groups according to their expiration months:

Group A 1, 2, 3, 6 and 9 months	Group B 1, 2, 3, 6, 9 and 12 months	Group C 1, 2, 3, 6, 9, 12, 18 and 24 months
None	**Aixtron (AIX)** **Broadvision (BDN)** **Qiagen (QIA)**	None

Option Premium

Payable in full in the respective EUR value on the first exchange day after the buy date.

Trading Hours

09:00 until 20:00 CET.

Contract Specifications

Low Exercise Price Options (LEPOs) on Neuer Markt Shares

Underlying Shares with LEPO Contracts

Aixtron (AIX)
Broadvision (BDN)
Qiagen (QIA)

Contract Size

Each LEPO contract is based on 100 shares of the underlying security.

Minimum Price Movement

The minimum price change for options is EUR 0.01

Delivery

Physical delivery of 100 shares of the underlying security.

Delivery Day

Two exchange trading days after the exercise in the case of Neuer Markt LEPOs on German shares, and three exchange trading days after the exercise in case of Neuer Markt LEPOs that are based on Dutch, or US shares.

Last Trading Day

The third Friday of the expiration month, if that is an exchange trading day; otherwise, the exchange trading day immediately prior to that Friday.

Daily Settlement Price

Euro 1 below the last traded price of the underlying security.

Exercise

American style, i.e. an option can be exercised up to the end of the Post-Trading Period on any exchange trading day during the lifetime of the option.

Expiration Months

The two nearest months within the cycle March, June, September, December.

Exercise Price

All LEPO contracts have an exercise price of Euro 1.

Option Premium

Payable in full on the exchange trading day immediately following the trade date.

Trading Hours

9:00 a.m. until 8:00 p.m. CET

Market Maker Quote Obligations

And Quote Spread Classification of Equity Options

Equity Options Quote Obligations

Minimum Size: 20 contracts on the bid and ask side in all option series.

Maximum Spread:

Equity Options quoted in EUR

Class I		**Class II**		**Class III**	
Bid up to	*Spread*	*Bid up to*	*Spread*	*Bid up to*	*Spread*
0 - 2.00	0.40	0 - 5.00	1.00	0 - 10.00	2.00
2.01 - 15.00	20%	5.01 - 30.00	20%	10.01 - 50.00	20%
> 15.00	3.00	> 30.00	6.00	> 50.00	10.00

Equity Options quoted in CHF

Class I		**Class II**		**Class III**	
Bid up to	*Spread*	*Bid up to*	*Spread*	*Bid up to*	*Spread*
0 - 5.00	1.00	0 - 10.00	2.00	0 - 20.00	4.00
5.01-15.00	20%	10.01-30.00	20%	20.01 - 50.00	20%
>15.00	3.00	> 30.00	6.00	> 50.00	10.00

Class IV		**Class V**		**Class VI**	
Bid up to	*Spread*	*Bid up to*	*Spread*	*Bid up to*	*Spread*
0 - 20.00	4.00	0 - 30.0	6.00	0 - 50.0	10.00
20.01 - 250.00	20%	30.1 - 250.00	20%	50.1 - 500.0	20%
> 250.00	50.00	> 250.0	50.00	> 500.0	100.00

Response to quote requests: At least 50 % of all Quote Requests have to be answered (up to a max. of 150 quote requests per day):

- within 5 minutes

- with a minimum holding time of 10 seconds.

Market Maker Fees: See Price List.

Fast Market: In the Fast Market state, the maximum spreads will increase by 50% and the minimum quote size will be reduced by 50%.

Market Maker Quote Obligations

And Quote Spread Classification of Equity Options

Quote Spread Classification

Class I	Euro Options	Product ID	CHF Options	Product ID
	ABN Amro	AAR	ABB	ABBN / ABB2
	Adidas	ADS	Clariant	CLN
	Aegon	AEN	Novartis	NOVN
	Ahold	AHO	UBS Group	UBSN
	Generali	ASG		
	Aventis	AVE		
	BASF	BAS		
	Bayer	BAY		
	Broadvision	BDN		
	BMW	BMW		
	BNP Paribas	BNP		
	Carrefour	CAR		
	Commerzbank	CBK		
	Deutsche Bank	DBK		
	DaimlerChrysler	DCX		
	Degussa Hüls	DGX		
	Deutsche Post World Net	DPW		
	Dresdner Bank	DRB		
	Deutsche Telekom	DTE		
	Elisa Communications	EIA		
	ENI	ENT		
	Stora Enso	ENUR		
	E.ON	EOA		
	EM.TV	ETV		
	Fresenius Medical Care	FME		
	France Telecom	FTE		
	Henckel	HEN3		
	Huhtamäki Van Leer	HUKI		
	Hypo- und Vereinsbank	HVM		
	Infineon	IFX		
	ING	INN		
	Intershop	ISH		
	Karstadt	KAR		
	KPN	KPN		
	Lufthansa	LHA		
	Linde	LIN		
	L'Oréal	LOR		
	MAN	MAN		
	Metro	MEO		
	Nokia	NOA3		
	Orange	OAG		
	Philips	PHI1		
	Preussag	PRS		
	Qiagen	**QIA**		
	Royal Dutch	ROY		
	UPM-Kymmene	RPL		
	RWE	RWE		
	Schering	SCH		
	Telecom Italia	SET		
	Sonera	SOY		
	Thyssen-Krupp	TKA		
	T-Online	TOI		
	TietoEnator	TTEB		
	Unilever	UNI		
	Volkswagen	VOW		
	Vivendi	VVU		

Market Maker Quote Obligations

And Quote Spread Classification of Equity Options

Class II	Euro Options	Product ID	CHF Options	Product ID
	Aixtron	**AIX**	Adecco	ADEN
	AXA	AXA	Roche	ROG
	Consors	CSO		
	Epcos	EPC		
	Marschollek + Partner	MLP3		
	Mobilcom	MOB		
	Siemens	SIE		
	Total Fina	TOTB		

Class III	Euro Options	Product ID	CHF Options	Product ID
	Allianz	ALV	Kudelski	KUD
	Münchner Rückversicherung	MUV2	Nestlé	NESN
	SAP	SAP3		

Class IV	Euro Options	Product ID	CHF Options	Product ID
			Ciba Spezialitätenchemie	CIBN
			Credit Suisse Group	CSGN
			Givaudan	GIVN
			Holcim	HOL
			Lonza	LONN
			Swisscom	SCMN
			Sair Group	SRN
			Syngenta	SYNN
			Swatch Group	UHRN
			Unaxis	UNAX
			Zürich Financial Services	ZURN

Class V	Euro Options	Product ID	CHF Options	Product ID
			Richemont	CFR
			Rentenanstalt	RAN
			Schweizer Rückversicherung	RUKN
			Serono	SEO
			Sulzer / Sulzer Medica basket	SULB

Class VI	Euro Options	Product ID	CHF Options	Product ID
			Julius Bär	BAER

Application for the Granting of Market Maker Licences at Eurex

Eurex

Product Development

60485 Frankfurt

(Fax: ++49 69 2101-4461)

Applicant

Name of applying exchange participant

Address

Name of contact

Phone No. Fax No.

Application for the Granting of Market Maker Licences pursuant to Subsection 3.3 of the Eurex Exchange Rules

I. We herewith apply for admission as Market Maker pursuant to Subsection 3.3 of the Eurex Exchange Rules.

Provided that the applying company is admitted as exchange participant at Eurex Zürich, this application applies to Eurex Zürich as well.

The granting of a Market Maker Licence is applied for regarding the trading in Option contracts

on equities with the following underlying(s):

☐ AAR (ABN Amro)	☐ BNP (BNP Paribas)	☐ ENUR (StoraEnso R)	☐ LHA (Lufthansa)
☐ ABBN / ABB2 (ABB)	☐ CAR (Carrefour)	☐ EOA (E.ON)	☐ LIN (Linde)
☐ ADEN (Adecco)	☐ CBK (Commerzbank)	☐ EPC (Epcos)	☐ LONN (Lonza)
☐ ADS (Adidas)	☐ CFR (Richemont)	☐ ETV (EM. TV & Merchand.)	☐ LOR (L'Oréal)
☐ AEN (Aegon)	☐ CIBN (Ciba Spezialitäten)	☐ FME (Fresenius Med.Care)	☐ MAN (MAN)
☐ AHO (Ahold)	☐ CLN (Clariant)	☐ FTE (France Telecom)	☐ MEO (Metro)
☐ **AIX (Aixtron)**	☐ CSGN (Credit Suisse Gr.)	☐ GIVN (Givaudan)	☐ MLP3 (MLP Vz.)
☐ ALV (Allianz)	☐ CSO (Consors)	☐ HEN3 (Henkel VZ)	☐ MOB (Mobilcom)
☐ ASG (Generali)	☐ DBK (Deutsche Bank)	☐ HOL (Holcim AG)	☐ MUV2 (Münchner Rück.)
☐ AVE (Aventis)	☐ DCX (Daimler Chrysler)	☐ HVM (Bayer.Hypo-.Vereinsb.)	☐ NESN (Nestlé)
☐ AXA (AXA-UAP)	☐ DGX (Degussa AG)	☐ IFX (Infineon Technologies)	☐ NOA3 (Nokia Corporation A)
☐ BAER (Julius Bär)	☐ DPW (Deutsche Post)	☐ INN (ING)	☐ NOVN (Novartis)
☐ BAS (BASF)	☐ DRB (Dresdner Bank)	☐ ISH (Intershop Comm.)	☐ OAG (Orange S.A.)
☐ BAY (Bayer)	☐ DTE (Deutsche Telekom)	☐ KAR (Karstadt)	☐ PHI1 (Philips St.)
☐ **BDN (Broadvision)**	☐ EIA (Elisa Communications)	☐ KPN (KPN)	☐ PRS (Preussag)
☐ BMW (BMW)	☐ ENT (ENI)	☐ KUD (Kudelski)	☐ **QIA (Qiagen)**

Application for the Granting of Market Maker Licences at Eurex

☐ RAN (Rentenanstalt)	☐ SCH (Schering)	☐ SUN (Sulzer /Sulzer Medica Basket)	☐ UHRN (The Swatch Group)
☐ ROG (Roche Holding)	☐ SCMN (Swisscom)	☐ SYNN (Syngenta)	☐ UNAX (Unaxis)
☐ ROY (Royal Dutch)	☐ SEO (Serono)	☐ TKA (Thyssen Krupp)	☐ UNI (Unilever)
☐ RPL (UPM-Kymmene Corp)	☐ SET (Tele. Italia)	☐ TOI (T-Online)	☐ VOW (Volkswagen)
☐ RUKN (Schweiz. Rückv.)	☐ SIE (Siemens)	☐ TOTB (Total Fina)	☐ VVU (Vivendi)
☐ RWE (RWE)	☐ SOY (Sonera Corporation)	☐ TTEB (TietoEnator Corp.)	☐ ZURN (Zurich Allied)
☐ SAP (SAP)	☐ SRN (Sair Group)	☐ UBSN (UBS)	

☐ ODAX
Option contracts on the German Stock Index (DAX®)

☐ OFOX
Option contracts on the Finnish Stock Index (FOX®)

☐ ON50
Option contracts on Nemax® 50

☐ OEU3
Option contracts on the Three-Month Euribor Future

☐ OSMI
Option contracts on the Swiss Market Index (SMI®)

☐ OGBL
Option contracts on Euro-BUND Futures

☐ OGBM
Option contracts on Euro-BOBL Futures

☐ OGBS
Option contracts on Euro-Schatz Futures

☐ OSTX
Option contracts on the Dow Jones STOXX® 50

☐ OESX
Option contracts on the Dow Jones Euro STOXX® 50

☐ OGTI
Option contracts on the Dow Jones Global Titans™ 50

II. The functions associated with such Market Maker Licences will be carried out by the following persons who have already been admitted for trading at Eurex:

Name, first name	Product to be covered
Name, first name	Product to be covered
Name, first name	Product to be covered

We herewith declare that the persons listed above have the necessary professional and personal qualification to fulfil the Market Maker functions pursuant to Subsection 3.3 of the Eurex Exchange Rules.

III. We confirm that we know the Eurex Rules and Regulations and declare that we will comply with these provisions in their relevant current version.

Place and Date	Company Stamp and authorized Signature