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To: All Eurex members and vendors

Date: Frankfurt, 15th July 1999

Simulation of Two Potential Money Market Products for Eurex Release 3.0

Dear Sir or Madam,

Two additional Money Market products which are not yet tradable on the Eurex system will be set up on a test basis in the Eurex Release 3.0 simulation, which runs from 12thJuly until 6th September, 1999. These are:

- **3-Month Euroswiss Future**
- **3-Month EONIA Future**

Although the introduction date for the definitive start of trading on Eurex has not yet been agreed, there is a possibility that the products will be introduced during this year. We would therefore like to give you the opportunity to test them during the Release 3.0 simulation, and they will be available from 26th July 1999.

In the attachment to this circular you will find the provisional contract specifications with the WKN and Eurex product codes.

If you have any questions, Christine Heyde, Tel. +49 (0)69-2101-5698 or Nadja Urban, Tel. +49 (0)69-2101-5105 will be pleased to assist you.

Yours sincerely,

Jürg Spillmann Karsten Sommer

Attachment

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Attachment

Provisional Contract Specification - Three-Month Euroswiss Futures
(System Code: FSLI; WKN 966623)

Contract Standard	Interest Rate for three-month time deposits in Swiss Francs (CHF- LIBOR).
Contract Value	CHF 1 000 000
Price Determination	In percent, to two decimal places, expressed as 100 minus the traded going rate of interest.
Minimum Price Change	0,01 percent, equivalent to a value of CHF 25,00
Maturity Months	Maturities to the Final Settlement Day of the next eight quarter months (March, June, September, December). The longest term available is therefore two years.
Settlement	Cash settlement, payable on the first exchange trading day following the Last Trading Day.
Last Trading Day, Final Settlement Day	Two exchange trading days prior to the third Wednesday of the respective settlement month, provided that on that day the British Bankers' Association has determined the reference interest rate CHF-LIBOR pertaining to three-month time deposits in Swiss Francs, otherwise the preceding exchange trading day. Trading in the maturing contract ceases at 11.00 a.m. London time.
Daily Settlement	For each contract, profit and loss will be determined on open positions at the end of the post-trading period of each trading day, and will be credited to/debited from the internal cash account. For open positions from the previous exchange trading day the booking amount is calculated as the difference between the daily settlement prices of the current and previous exchange trading day. For trades on the exchange trading day the booking amount is the difference between the trade price and the daily settlement price on the exchange trading day.

Daily Settlement Price	Volume-weighted average price of the last five trades of the day provided they are not older than 15 minutes; or if more than five trades have occurred in the final minute of trading, the volume-weighted average price of all trades that occurred during that final minute. If such a price cannot be determined, or if the price so determined does not reasonably reflect the prevailing market conditions, then Eurex will establish the final settlement price.
Final Settlement Price	Eurex establishes the Final Settlement Price at 11.00 a.m. London time on the basis of the reference interest rate determined by the British Bankers' Association for three-month time deposits in Swiss Francs (BBA LIBOR). To fix the final settlement price, the Eurex CHF-LIBOR rate is rounded to two decimals (0.01 or multiple thereof) and then subtracted from 100. (If the third decimal of the BBA LIBOR is 5, the rate is rounded down, e.g. a BBA rate of 3.125 becomes 3.12).
Margin	The Margin requirements will be determined on the basis of the Eurex 'Risk-based Margining' procedure.
Trading Hours	08.30 – 17.00 CET

Provisional Contract Specification - Three-month EONIA Futures

(System Code: FEON; WKN 966624)

Contract Standard	Overnight time deposit in euro for three months
Contract Value	EUR 1 000 000
Price Determination	In percent to three decimal places expressed as 100 minus the traded going average EONIA rate (EONIA swap-rate)
Minimum Price Change	0,005 percent, equivalent to a value of EUR 12.5 per half basis point ($^1/_2$ of 1/100 percent of EUR 1M on a 90-day Basis = 1M x 90/360 x 0.005%)
Maturity Months	The next four months in the cycle March, June, September, December
Settlement	Cash settlement, payable on the first exchange trading day following the Last Trading Day.
Last Trading Day, Final Settlement Day	Two exchange trading days prior to the third Wednesday of the respective maturity month, provided that on that day the reference interest rate related to overnight term deposits has been determined, otherwise the preceding exchange trading day. Close of trading for the maturing contract month on the last trading day is 18.30 CET.
Daily Settlement Price	Volume-weighted average price of the last five trades of the day provided they are not older than 15 minutes; or if more than five trades have occurred in the final minute of trading, the volume-weighted average price of all trades that occurred during that final minute. If such a price cannot be determined, or if the price so determined does not reasonably reflect the prevailing market conditions, then Eurex will establish the final settlement price.

Final Settlement Price

The final settlement price will be determined by Eurex on the basis of the weighted average effective interest rates (EONIA) for overnight call-money transactions in euro as determined by the ECB at 19.00 CET on each trading day for the period of the contract (previous settlement period: e.g. for JUN99 average of 16.03.99 - 14.06.99). To fix the final settlement price the EONIA average will be arithmetically rounded to the nearest price interval (0.005, 0.01 or a multiple thereof) and then subtracted from 100. The following formula will be utilised:

$$r = \frac{360 \times \left(\prod_{i=te}^{tp-1} (1 + ri \times di / 360) - 1 \right)}{n}$$

1 = *Euro market convention;*
r = *Variable rate in view of compound interest;*
$\boldsymbol{t_e}$ = *Start date EONIA-Future Front Month (first trading day);*
$\boldsymbol{t_p}$ = *End date EONIA-Future Front Month (last trading day);*
$\boldsymbol{r_i}$ = *EONIA-Rate from the daily fixing, as a percentage;*
$\boldsymbol{d_i}$ = *Number of days that the value* $\boldsymbol{r_i}$ *is valid, (normally one day, or three days at weekends);*
n = *Length of the EONIA-Future Front Month in days*

Margin

The Margin requirements will be determined on the basis of the Eurex 'Risk-based Margining' procedure.

Trading Hours

08.30 – 19.00 CET