X-pand into the Future

e u r e x *circular 096/01*

Date: Frankfurt, 19 September, 2001
Recipients: All Eurex members and vendors
Authorized by: Rudolf Ferscha

Introduction of US American Stock Options – Extensions to Eurex Rules and Regulations

Related circulars: 078/01, 094/01
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Content may be most important for:	**Attachments:**
➲ All Departments	1. Extension to the Conditions for Trading at Eurex Deutschland and Eurex Zürich 2. Extension to the Eurex Clearing Conditions 3. Extension to the Price List 4. Modification to the Mistrade Regulation

The start of trading in US American stock options at Eurex will take place on Monday 24 September, 2001. Following the resumption of trading in New York, and after consultation with market participants who will provide liquidity in the cash and derivatives markets, Xetra will begin trading in US stocks on the existing infrastructure on 24 September, 2001. From 24 September, 2001 Dow Jones Indexes will also begin to calculate the Dow Jones Industrial Average based on Xetra prices, and include these prices in the calculation of the Global Titans, until the opening of the US exchanges.

For the introduction of the ten US American stock options The Exchange Council of Eurex Deutschland and the Administrative Council of Eurex Zürich have approved the necessary changes to the Rules and Regulations which will take effect from 24 September, 2001. Attachments 1 to 4 contain the related new or updated sections of the Rules and Regulations. Attachment 4 also includes the Mistrade regulation modifications associated with the introduction of the options on Dow Jones EURO STOXX® Sector Indices (see Circular 094/01).

The underlying stocks of these ten stock options will be held in collective safe custody by Clearstream Banking AG Frankfurt, i.e. they will be included in the cross-border link to DTCC New York.

Additional information on the custody of these stocks through DTCC can be obtained from Customer Service, Clearstream Banking AG, on Tel. +49 69-509-55-1177.

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2 Part

Contract Specifications

2.2 Subpart: Contract Specifications for Options Contracts

2.2.18 Sub-Subpart: Specifications for Options Contracts on Stocks of US-American Stock Corporations (US-American Stock Options)

2.2.18.1 Subject Matter of Contract

Each contract shall generally cover 100 shares unless the Boards of Management of the Eurex Exchanges have determined otherwise. Subsection 2.2.18.7 shall remain unaffected.

2.2.18.2 Call Option (Call)

(1) The purchaser of a call option has the right to demand delivery of the shares underlying the contract at the stipulated exercise price.

(2) The writer of a call shall be required to deliver the underlying shares at the stipulated exercise price on the third Exchange day following the day on which the option was exercised vis-à-vis Eurex Clearing AG; this shall also apply if the exercise is first assigned to the writer on the Exchange day following the day of exercise.

2.2.18.3 Put Option (Put)

(1) The purchaser of a put option has the right to deliver the shares underlying the contract at the stipulated exercise price.

(2) The writer of a put shall be required to pay the stipulated exercise price on the third Exchange day following exercise of the contract vis-à-vis Eurex Clearing AG against delivery of the shares underlying the contract; this shall also apply if the exercise is first assigned to the writer on the Exchange day following the day of exercise.

2.2.18.4 Option Premiums

The purchaser of an options contract is required to pay to the writer thereof the price for the purchase of the option right (the "Option Premium").

2.2.18.5 Term, Close of Trading, Expiration Day

(1) Options are available at the Eurex Exchanges with terms up to and including

a) the next, the second and the third succeeding expiration days as well as up to and including the next two succeeding quarterly expiration days (March, June, September, December) thereafter or

b) the next, the second and the third succeeding expiration days as well as up to and including the next three succeeding quarterly expiration days (March, June, September, December) thereafter or

c) the next, the second and the third succeeding expiration days as well as up to and including the next three succeeding quarterly expiration days (March, June, September, December) and up to the next two succeeding half-year expiration days (June, December).

Depending on the time of the purchase of the option, the term may be up to nine, twelve and 24 months and six Exchange days. The Boards of Management of the Eurex Exchanges determine the term for each stock option pursuant to sentence 1.

(2) The last trading day of an option series shall be the last day on which such option series is available to Exchange Participants for trading and clearing through the EDP system of the Eurex Exchanges. The last trading day shall generally be the third Friday of the relevant month; provided, however, that if such Friday is not an Exchange day, the last trading day shall be the Exchange day prior to such Friday. The expiration day of an option series shall generally be the Exchange day following the last trading day.

(3) An option series may not be cancelled so long as any Exchange Participant continues to hold open positions in such option series.

2.2.18.6 Exercise Prices

(1) Option series may have the following exercise prices:

Exercise price in EUR	Exercise price intervals in EUR **
0 - 5	0,20
5,50 - 10	0,50
11 – 20	1,00
22 – 50	2,00
52,50 – 100*	2,50
55 – 200	5,00
> 200	20,00

* only for the next and second expiration date in the at the money area

** for XXL-options (a term of 18 and 24 months) the intervals between the exercise prices double

(2) Upon the admission of a contract, three exercise prices shall be made available for each term for each call and put, such that at least one exercise price is "in the money", one is "at the money" and one is "out of the money".

(3) Option series with new exercise prices shall be introduced for an existing expiration month no later than at the beginning of the Pre-Trading Period of a given Exchange day

in the event that the closing price of the respective underlying security effected on Frankfurt Stock Exchange has reached, exceeded or fallen below the average of the two highest respectively two lowest exercise prices according to paragraph (1).

If such price does not correspond to the current market conditions, it shall be determined by Eurex Clearing AG.

A new option series shall generally not be introduced if it would expire in fewer than five Exchange days, unless market conditions make such introduction necessary.

2.2.18.7 Alterations of Exercise Prices and Expiration Days

(1) Exercise prices shall not be adjusted upon the payment of any dividends.

(2) Extraordinarily high dividends, bonuses or other cash distributions shall not be deemed to be dividends within the meaning of paragraph (1). In the event of such distributions, the exercise price for stock options written prior to the day of such distribution shall be reduced by an amount that reflects the value of the distribution, as determined in accordance with a formula established by the Eurex Exchanges; correspondingly, the number of shares underlying the contract shall be increased in such a manner that the original value of the contract is maintained. Exercise prices shall only be adjusted pursuant to sentence 2, if such a distribution exceeds the amount determined by the Eurex Exchanges and announced to the Exchange Participants.

When an option is exercised, the Eurex Exchanges will provide cash settlement for any shares in excess of the standard contract size of 100 shares, to the extent that the Exchange Council of Eurex Deutschland has not provided otherwise. The amount of such cash settlement shall be determined on the basis of the difference between the reduced exercise price of the option and the closing price of the respective underlying security effected on Frankfurt Stock Exchange. If such price does not correspond to the current market conditions, it shall be determined by Eurex Clearing AG.

(3) If subscription rights are granted, the exercise price for stock options written prior to the first Exchange day of such subscription rights shall be reduced by an amount that reflects the value of the subscription right, as determined in accordance with a formula established by the Eurex Exchanges; correspondingly, the number of shares underlying the contract shall be increased such that the original value of the contract is maintained.

When an option is exercised, the Eurex Exchanges will provide cash settlement for any shares in excess of the standard contract size of 100 shares, to the extent that the Exchange Council of Eurex Deutschland has not provided otherwise.

The amount of such cash settlement shall be determined on the basis of the difference between the reduced exercise price of the option and the closing price of the respective underlying security effected on Frankfurt Stock Exchange.

If such price no longer corresponds to the current market conditions, it shall be determined by Eurex Clearing AG.

(4) In the event of capital increases out of the company's equity *(Gesellschaftsmitteln)*, the number of shares underlying a contract will be increased proportionally to maintain the

proportion of the share capital represented by these shares. The exercise price shall be reduced by a value such that the original value of the contract remains unchanged.

When an option is exercised, the Eurex Exchanges shall provide cash settlement for any fractional shares the new contract size may cover, provided that the new shares are vested with the same rights as the old shares. In the case of divergent terms, there shall be a cash settlement for the portion exceeding the standard contract size; in all other respects, shares and other fractional interests, if any, shall be delivered based on the new contract size. This shall also apply with respect to stock dividends and similar events. Paragraph (3) sentences 3 and 4 shall apply to such cash settlements mutatis mutandis.

In case of capital reductions, the exercise price and the standard contract size of the options shall remain unchanged if the capital is reduced by decreasing the par value of the shares. If a reduction of capital is implemented by redeeming or consolidating shares, the number of shares covered by a contract shall be reduced proportionally to the proportion of the reduction of the share capital. The exercise price shall be simultaneously increased to a value such that the original value of the contract remains unchanged. Any remaining fractions of shares shall be settled in cash.

In the event of stock splits, the exercise price of stock options shall be reduced in proportion to the split rate. The contract size and/or the position size shall be modified in a ratio such that the option holder's original position remains unchanged.

(5) In the event of any change of the contract size and the exercise price pursuant to paragraphs (2), (3) or (4), new option series shall be introduced in accordance with the provisions of subsections 2.2.18.1 and 2.2.18.6.

In the event of changes to the share capital (paragraphs (3) to (6)) and all adjustments pursuant to paragraph (2), all orders and quotes contained in the order book with respect to the relevant option series shall be cancelled by the Eurex Exchanges. The Eurex Exchanges shall notify all Exchange Participants prior to any such cancellation.

(6) If, in the cases required by law (e.g. merger, consolidation, conversion of classes of shares by means of an amendment to the articles of association, collectively a "Merger" *(Umwandlung)*), shareholders receive an offer to exchange their old shares for new shares or shares of another stock corporation, any options concerned which are due to expire after the discontinuation of trading in the old shares on a stock exchange (the "Reference Date") shall be adjusted as follows:

The options shall be adjusted on the Exchange day immediately following the Reference Date. The old shares shall be replaced by the same number of new shares issued due to the Merger, or of the other shares offered by the stock corporation. In all other cases in which the exchange ratio is not 1:1 or the holders of old shares are also offered a cash compensation, the exercise prices and contract sizes shall also be adjusted in such a manner that the original contract value is maintained. When an option is exercised after the Reference Date, Eurex Deutschland shall provide a cash compensation for any fractional shares the new contract size may cover. The new underlying shall be delivered at the earliest from the day on which the stock corporation exchanged the old shares for new shares or shares of another stock corporation.

If, in the case of an exchange of shares as required by law, shareholders are offered a cash compensation, securities other than shares or other rights (collectively the "Other Rights") instead of new shares, the term of the options shall expire as soon as the old shares are no longer admitted to trading on a securities exchange (the "Reference Date"). The same shall apply if the Other Rights offered cannot be delivered through the central depositories or other depositories *(Lieferstelle)* recognized by Eurex Clearing AG, or if derivatives on the Other Rights offered cannot be traded on the Eurex Exchanges as a matter of law. If an option concerned is exercised on the Reference Date, the shares underlying the contract shall be replaced by the Other Rights. The Other Rights shall be delivered on the day on which they are transferred by the offering company. If this day is not an Exchange day, delivery shall be effected on the Exchange day immediately following the Reference Date. If the Other Rights offered cannot be delivered through the central depositories or other depositories *(Lieferstelle)* recognized by Eurex Clearing AG, or if derivatives on the Other Rights offered cannot be traded on the Eurex Exchanges as a matter of law, the Eurex Exchanges shall provide a proportional cash compensation.

(7) If shareholders receive an offer to exchange old shares for new shares, shares of another stock corporation, securities other than shares, other rights or a cash compensation and in the event this capital market transaction is not stipulated by the provisions in accordance with paragraph (6), the Eurex Exchanges will adjust the options concerned in such manner that the original contract value is maintained to the extent possible, well-ordered market conditions are ensured and clearing and contract settlement are facilitated. The Eurex Exchanges shall inform the Exchange Participants of the intended measures.

2.2.18.8 Price Gradations

The price of an option shall have price gradations of 0.01 EUR, to the extent that the Boards of Management of the Eurex Exchanges have not provided otherwise.

2.2.18.9 Exercise

(1) Options may be exercised by the purchaser on any Exchange day until the end of the Post-Trading Full Period (American style) provided that the Boards of Management of the Eurex Exchanges have not determined otherwise. The last day on which an option may be exercised shall generally be the last trading day (subsection 2.2.18.5 paragraph (2)).

(2) The Eurex Exchanges shall inform the Exchange Participants on each of the last ten Exchange days before the last trading day of an option series of options contracts then becoming due.

(3) Each Exchange Participant shall be responsible for exercising its options contracts. The Eurex Exchanges shall not automatically exercise any options contracts.

(4) In the event of an EDP failure, the Eurex Exchanges must receive a written exercise request from the Exchange Participant concerned (e.g., by letter or fax) no later than the end of the Post-Trading Full Period on or before the last trading day of an options contract. Any such request transmitted to one of the Eurex Exchanges shall be deemed

submitted to all Eurex Exchanges. The exercise request shall be entered by the Eurex Exchanges to the extent possible using reasonable efforts.

(5) The exercise of an option entered during the course of any day may be altered until the end of the Post-Trading Full Period on the date of entry.

2.2.18.10 Assignment

(1) All exercises shall be assigned to the writers of the exercised option series after the end of the Post-Trading Full Period. Assignments shall be binding. Exercises may be assigned to writers throughout the term of the option contract, including on the expiration day (subsection 2.2.18.5 paragraph (2) sentence 3).

(2) The Exchange Participants and Clearing Members affected by any such assignment shall be notified thereof during the morning of the following Exchange day.

(3) Assignments shall be made through the Eurex Exchanges by a random selection process conducted in accordance with detailed rules. The assignment method shall be communicated to the Exchange Participants. Any change of such method shall become effective only after notice thereof.

(4) All assignments made for the Agent Position Account of an Exchange Participant shall be assigned by such Exchange Participant to the positions of its customers, on the basis of a procedure that ensures the neutrality of the assignment process.

(5) All assignments made for the Principal Position Accounts or M-position Accounts of an Exchange Participant must be performed by that Exchange Participant and may not be transferred onward to its customers.

2.2.18.11 Performance, Delivery

Deliveries resulting from the exercise and assignment of options shall occur between the relevant Clearing Members and Eurex Clearing AG. Each Clearing Member shall be responsible for handling deliveries to the Non-Clearing Members served by it and its own customers; the performance of deliveries by Non-Clearing Members to their customers is the responsibility of the Non-Clearing Members.

2.2.27 Sub-Subpart: Specifications for Low Exercise Price Options (LEPO) on Stocks of US-American Stock Corporations

2.2.27.1 Subject Matter of Contract

Each contract shall generally cover 100 shares unless the Boards of Management of the Eurex Exchanges have determined otherwise. Subsection 2.2.27.6 shall remain unaffected.

2.2.27.2 Call Option (Call)

(1) The purchaser of a call option (Call) has the right to demand delivery of the shares underlying the contract at the stipulated exercise price.

(2) The writer of a call shall be required to deliver the underlying shares at the stipulated exercise price on the third Exchange day following the day on which the option was exercised vis-à-vis Eurex Clearing AG; this shall also apply if the exercise is first assigned to the writer on the Exchange day following the day of exercise.

2.2.27.3 Option Premiums

The purchaser of an options contract is required to pay to the writer thereof the price for the purchase of the option right, the "Option Premium".

2.2.27.4 Term, Close of Trading, Expiration Day

(1) Options are available at the Eurex Exchanges with two terms up to and including the next two succeeding quarterly expiration days (March, June, September, December) thereafter.

Depending on the time of the purchase of the option, the term may be up to three or six months. The Boards of Management of the Eurex Exchanges determine the term for each LEPO pursuant to sentence 1.

(2) The last trading day of an option series shall be the last day on which such option series is available to Exchange Participants for trading and clearing through the EDP system of the Eurex Exchanges. The last trading day shall generally be the third Friday of the relevant month; provided, however, that if such Friday is not an Exchange day, the last trading day shall be the Exchange day prior to such Friday.

The expiration day of an option series shall generally be the Exchange day following the last trading day of the option series.

(3) An option series may not be canceled so long as any Exchange Participant continues to hold open positions in such option series.

2.2.27.5 Exercise Prices

LEPO shall have an exercise price of 1,-- EUR.

2.2.27.6 Alterations of Exercise Prices and Expiration Days

The provisions of subsection 2.2.18.7 with respect to alterations in the exercise prices and expiration days of US-American stock options shall also apply to LEPO subject to the following:

In the event of a change in the capital, the exercise price for LEPO on US-American stocks shall in any case remain unaffected. To maintain the original contract value, the change in the capital shall be taken account of by adjusting the contract size accordingly.

2.2.27.7 Price Gradations

The price of an option shall have price gradations of 0,01 EUR, unless the Boards of Management of the Eurex Exchanges have provided otherwise.

2.2.27.8 Exercise

(1) LEPO may be exercised by the purchaser on any Exchange day until the end of the Post-Trading Full Period (American style) provided that the Boards of Management of the Eurex Exchanges have not determined otherwise. The last day on which an option may be exercised shall generally be the last trading day (subsection 2.2.27.4 paragraph (2)).

(2) The Eurex Exchanges shall inform the Exchange Participants on each of the last ten Exchange days before the last trading day of an option series of options contracts then becoming due.

(3) Each Exchange Participant shall be responsible for exercising its options contracts. The Eurex Exchanges shall not automatically exercise any options contracts.

(4) In the event of an EDP failure, the Eurex Exchanges must receive a written exercise request from the Exchange Participant concerned (e.g., by letter or fax) no later than the end of the Post-Trading Full Period on or before the last trading day of an options contract. Any such request transmitted to one of the Eurex Exchanges shall be deemed submitted to all Eurex Exchanges. The exercise request shall be entered by the Eurex Exchanges to the extent possible using reasonable efforts.

(5) The exercise of an option entered during the course of any day may be altered until the end of the Post-Trading Full Period on the date of entry.

2.2.27.9 Assignment

(1) All exercises shall be assigned to the writers of the exercised option series after the end of the Post-Trading Full Period. Assignments shall be binding. Exercises may be assigned to writers throughout the term of the option contract, including on the last trading day.

(2) The Exchange Participants and Clearing Members affected by any such assignment shall be notified thereof during the morning of the following Exchange day.

(3) Assignments shall be made through the Eurex Exchanges by a random selection process conducted in accordance with detailed rules. The assignment method shall be

communicated to the Exchange Participants. Any change of such method shall become effective only after notice thereof.

(4) All assignments made for the Agent Position Account of an Exchange Participant shall be assigned by such Exchange Participant to the positions of its customers, on the basis of a procedure that ensures the neutrality of the assignment process.

(5) All assignments made for the Principal Position Accounts or M-position Accounts of an Exchange Participant must be performed by that Exchange Participant and may not be transferred onward to its customers.

2.2.27.10 Performance, Delivery

Deliveries resulting from the exercise and assignment of options shall occur between the relevant Clearing Members and Eurex Clearing AG. Each Clearing Member shall be responsible for handling deliveries to the Non-Clearing Members served by it and its own customers; the performance of deliveries by Non-Clearing Members to their customers is the responsibility of the Non-Clearing Members.

2 Part: Settlement of Transactions

2.2 Subpart

Settlement of Options Contracts

2.2.18 Sub-Subpart
Settlement of Options Contracts on Stocks of US-American Stock Corporations (US-American Stock Options)

2.2.18.1 General Provisions

(1) Eurex Clearing AG shall be a contracting party to all deliveries and payments arising out of the exercise and assignment of options contracts.

(2) Clearing Members must, in accordance with instructions of Eurex Clearing AG, make deliveries and payments in respect of exercises and assignments of positions for the Clearing of which they are responsible.

(3) Eurex Clearing AG will inform each Clearing Member of the options contracts assigned to it on the morning of the Exchange day after exercise.

(4) The following provisions shall apply to the procedures for deliveries and payments pursuant to paragraph (1):

All physical deliveries of securities and payments shall be concurrently performed between the Clearing Members through Eurex Clearing AG on the third Exchange day after the exercise of the option; this shall also apply if the exercise is not assigned to the writer until the Exchange day following exercise. Physical deliveries of securities are to be made through a central depository determined by Eurex Clearing AG and payments shall be made through the corresponding account determined by such central depository.

Each Clearing Member and Eurex Clearing AG must ensure, through appropriate instruction to the respective central depository, that transactions can be processed on the Exchange day on which the delivery notice is given. All Clearing Members must ensure their ability to effect deliveries and payments on the due date thereof through sufficient deposits in the securities account with the respective central depository and credit balances in the corresponding cash accounts.

2.2.18.2 Option Premiums

The balance of the option premiums ("Net Premium") to be paid by the Clearing Members pursuant to subsection 2.2.18.4 of the Conditions for Trading at the Eurex Exchanges and to be reimbursed by Eurex Clearing AG shall be payable by the time specified by Eurex Clearing AG on the Exchange day following the conclusion of the transaction, but generally prior to the commencement of trading at the Eurex Exchanges on such Exchange day.

2.2.18.3 Margin Requirements

(1) The basic provisions for margin requirements are set forth in subsections 1.3.1 through 1.3.5. In addition thereto, the following conditions shall apply:

(2) Margin must generally be maintained to cover the costs of a potential closing of all positions at their daily settlement price ("Premium Margin"). The daily settlement price of an option series is the price of the last transaction entered into in such option series during the final 15 minutes on an Exchange day. If no transactions are entered into in such option series during such period, or if the use of such daily settlement price would not result in a margin requirement that would be adequate to cover the risk assessment of Eurex Clearing AG, Eurex Clearing AG shall determine the daily settlement price.

(3) The difference between the closing price of the respective underlying security effected on Frankfurt Stock Exchange and the exercise price shall be used for exercised and assigned positions in options contracts on stocks of US-American stock corporations.

Eurex Clearing AG may deviate from a price so determined if the resulting margin requirements do not comply with the risk assessment of Eurex Clearing AG.

(4) For purposes of calculating the margin requirements for all option series, net long positions shall be treated as credit balances.

(5) In addition to the foregoing margin requirements ("Premium Margin"), a further margin requirement ("Additional Margin") shall be calculated in an amount sufficient to cover any change to the cost of closing all options positions assuming the least favorable price developments, as determined by Eurex Clearing AG, until the next calculation of margin.

2.2.18.4 Dividends

If a US-American stock option is exercised before the ex-dividend date, the new owner of the shares shall be entitled to the dividend, including any corresponding tax credits.

2.2.18.5 Default in Delivery or Payment

(1) In the event that a Clearing Member which is obligated to deliver is in default and fails to deliver the shares assigned to it on the delivery day and pursuant to the instructions of Eurex Clearing AG, Eurex Clearing AG shall be entitled to take the following measures:

- Eurex Clearing AG is entitled to obtain by means of securities lending the assigned shares which are in default and deliver them to the Clearing Member which did not receive delivery in a timely manner.

- In the event that the shares to be delivered are not delivered to Eurex Clearing AG as part of the standard transfer arrangement of the central depository determined by Eurex Clearing AG by the fifth Exchange day after the delivery day, Eurex Clearing AG shall be entitled to make a replacement purchase with respect to the undelivered shares. The replacement purchase is to be carried out on the fifth Exchange day after the delivery day. Eurex Clearing AG will deliver the shares acquired through such replacement transaction to the Clearing Member which did not receive delivery in a timely manner.

(2) Measures set forth in paragraph (1) are binding on the Clearing Member which did not receive delivery in a timely manner.

(3) Any costs arising from the measures taken in accordance with 2.2.18.5 paragraph (1) must be paid by the defaulting Clearing Member. Furthermore, Eurex Clearing AG will charge the defaulting Clearing Member a contractual penalty. Eurex Clearing AG may waive such penalty fully or partially in cases where such default in delivery does not exceed one Exchange day. The contractual penalty shall be calculated as follows:

- Irrespective of whether Eurex Clearing AG has suffered any damage, the defaulting Clearing Member shall be obligated to pay a contractual penalty in an amount determined by Eurex Clearing AG per product per calendar day, plus a percentage of the outstanding amount to be announced by Eurex Clearing AG in advance. Such percentage shall be based on the money-market rates prevailing in the market.

(4) The right of Eurex Clearing AG and the Clearing Member which did not receive delivery in a timely manner to claim further damages shall remain unaffected.

Eurex Clearing AG has the right to charge a contractual penalty even if it accepts a delayed delivery or payment without explicitly reserving such right. The right to claim further damages shall remain unaffected.

Defaults or technical defaults in payment shall be subject to the provisions of subsection 1.7.1 paragraph (4) or subsection 1.7.2 paragraph (5) respectively.

2.2.27 Sub-Subpart
Settlement of Low Exercise Price Options (LEPO) on Stocks of US-American Stock Corporations

2.2.27.1 General Provisions

(1) Eurex Clearing AG shall be a contracting party to all deliveries and payments arising out of the exercise and assignment of options contracts.

(2) Clearing Members must, in accordance with instructions of Eurex Clearing AG, make deliveries and payments in respect of exercises and assignments of positions for the Clearing of which they are responsible.

(3) Eurex Clearing AG will inform each Clearing Member of the options contracts assigned to it on the morning of the Exchange day after exercise.

(4) The following provisions shall apply to the procedures for deliveries and payments pursuant to paragraph (1):

All physical deliveries of securities and payments shall be concurrently performed between the Clearing Members through Eurex Clearing AG on the third Exchange day after the exercise of the option; this shall also apply if the exercise is not assigned to the writer until the Exchange day following exercise. Physical deliveries of securities are to be made through a central depository determined by Eurex Clearing AG and payments shall be made through the corresponding account determined by such central depository.

Each Clearing Member and Eurex Clearing AG must ensure, through appropriate instruction to the respective central depository, that transactions can be processed on the Exchange day on which the delivery notice is given. All Clearing Members must ensure their ability to effect deliveries and payments on the due date thereof through sufficient deposits in the securities account with the respective central depository and credit balances in the corresponding cash accounts.

2.2.27.2 Option Premiums

The balance of the option premiums ("Net Premium") to be paid by the Clearing Members pursuant to subsection 2.2.27.3 of the Conditions for Trading at the Eurex Exchanges and to be reimbursed by Eurex Clearing AG shall be payable by the time specified by Eurex Clearing AG on the Exchange day following the conclusion of the transaction, but generally prior to the commencement of trading at the Eurex Exchanges on such Exchange day.

2.2.27.3 Margin Requirements

(1) The basic provisions for margin requirements are set forth in subsections 1.3.1 through 1.3.5. In addition thereto, the following conditions shall apply:

(2) Margin must generally be maintained to cover the costs of a potential closing of all positions at their daily settlement price ("Premium Margin"). The daily settlement price of an option series is the price of the last transaction entered into in such option series during the final 15 minutes on an Exchange day. If no transactions are entered into in such option series during such period, or if the use of such daily settlement price would not result in a margin requirement that would be adequate to cover the risk assessment of Eurex Clearing AG, Eurex Clearing AG shall determine the daily settlement price.

(3) The difference between the closing price of the respective underlying security effected on Frankfurt Stock Exchange and the exercise price shall be used for exercised and assigned positions in options contracts on US-American stock corporations.

Eurex Clearing AG may deviate from a price so determined if the resulting margin requirements do not comply with the risk assessment of Eurex Clearing AG.

(4) For purposes of calculating the margin requirements for all option series, net long positions shall be treated as credit balances.

(5) In addition to the foregoing margin requirements ("Premium Margin"), a further margin requirement ("Additional Margin") shall be calculated in an amount sufficient to cover any change to the cost of closing all options positions assuming the least favorable price developments, as determined by Eurex Clearing AG, until the next calculation of margin.

2.2.27.4 Dividends

If a LEPO on shares of US-American stock corporations is exercised before the ex-dividend date, the new owner of the shares shall be entitled to the dividend, including. any corresponding tax credits.

2.2.27.5 Default in Delivery or Payment

(1) In the event that a Clearing Member which is obligated to deliver is in default and fails to deliver the shares assigned to it on the delivery day and pursuant to the instructions of Eurex Clearing AG, Eurex Clearing AG shall be entitled to take the following measures:

- Eurex Clearing AG is entitled to obtain by means of securities lending the assigned shares which are in default and deliver them to the Clearing Member which did not receive delivery in a timely manner.

- In the event that the shares to be delivered are not delivered to Eurex Clearing AG as part of the standard transfer arrangement of the central depository determined by Eurex Clearing AG by the fifth Exchange day after the delivery day, Eurex Clearing AG shall be entitled to make a replacement purchase with respect to the undelivered shares. The replacement purchase is to be carried out on the fifth Exchange day after the delivery day. Eurex Clearing AG will deliver the shares acquired through such replacement transaction to the Clearing Member which did not receive delivery in a timely manner.

(2) Measures set forth in paragraph (1) are binding on the Clearing Member which did not receive delivery in a timely manner.

(3) Any costs arising from the measures taken in accordance with 2.2.27.5 paragraph (1) must be paid by the defaulting Clearing Member. Furthermore, Eurex Clearing AG will charge the defaulting Clearing Member a contractual penalty. Eurex Clearing AG may waive such penalty in cases where such default in delivery does not exceed one Exchange day. The contractual penalty shall be calculated as follows:

- Irrespective of whether Eurex Clearing AG has suffered any damage, the defaulting Clearing Member shall be obligated to pay a contractual penalty in the amount of 0.5 percent of the overdue delivery per product per calendar day, but no less than EUR 500 or CHF 850, plus a percentage of the outstanding amount to be announced by Eurex Clearing AG in advance. Such percentage shall be based on the money-market rates prevailing in the market.

(4) The right of Eurex Clearing AG and the Clearing Member which did not receive delivery in a timely manner to claim further damages shall remain unaffected.

Eurex Clearing AG has the right to charge a contractual penalty even if it accepts a delayed delivery or payment without explicitly reserving such right. The right to claim further damages shall remain unaffected.

(5) Defaults or technical defaults in payment shall be subject to the provisions of subsection 1.7.1 paragraph (4) or subsection 1.7.2 paragraph (5) respectively.

Price List

...

2 Transaction Fees of Eurex Deutschland and Eurex Zürich

.....

2.2 The following fees with respect to options contracts:

....

2.2.18 US-American Stock Options

With respect to US-American Stock Options, fees for:

a. order matching		
- trade	per contract	0.30 EUR
- trade (Market Maker)	per contract	0.05 – 0.06 EUR

If the Market Maker requirements in long-term Stock Options (Options of group C with terms up to max. 24 months) are met, transaction fees for trades (Market Maker) shall be subject to a refund, the amount of which shall depend on the turnover, so that the actual fees are as follows:

Traded contracts per month in M-accounts		
1 - 20.000	per contract	0.06 EUR
more than 20.000	per additional contract	0.05 EUR

b. trade administration		
- trade separation	per transaction	0.00 EUR
- trade transfer	per transaction	0.00 EUR
- adjustment of an opening/closing transaction	per transaction	0.00 EUR

c. position administration		
- position closing transaction	per transaction	0.00 EUR
- position transfer	per transaction	0.00 EUR
- position transfer from Market Maker account	per contract	0.00 EUR

d. settlement of trades and positions		
- exercise	per contract	0.30 EUR
- exercise (Market Maker)	per contract	0.05 – 0.06 EUR
- exercise adjustment	per transaction	0.00 EUR

If the Market Maker requirements have been met, so that transaction fees will be subject to a refund in accordance with section 2.2.18 a), then rebates will be given to Market Makers for exercise, so that the actual fees for exercises (Market Maker) on the basis of contracts traded in M-accounts per months are as follows:

Traded contracts per month in M-accounts:	actual fees per exercised contract:
- up to 20.000	0.06 EUR
- more than 20.000	0.05 EUR

2.2.27 LEPO on Stocks of US-American Stock Corporations

With respect to LEPOs on Stocks of US-American Stock Corporations, fees for:

a. order matching		
- trade	per contract	0.30 EUR
- trade (Market Maker)	per contract	0.05 – 0.06 EUR

If the Market Maker requirements in long-term Stock Options (Options of Group C with terms up to max. 24 months) are met, transaction fees for trades (Market Maker) shall be subject to a refund, the amount of which shall depend on the turnover, so that the actual fees are as follows:

Traded contracts per month in M-accounts		
1 - 20.000	per contract	0.06 EUR
more than 20.000	per additional contract	0.05 EUR

b. trade administration		
- trade separation	per transaction	0.00 EUR
- trade transfer	per transaction	0.00 EUR
- adjustment of an opening/closing transaction	per transaction	0.00 EUR

c. position administration		
- position closing transaction	per transaction	0.00 EUR
- position transfer	per transaction	0.00 EUR
- position transfer from Market Maker account	per contract	0.00 EUR

d. settlement of trades and positions		
- exercise	per contract	0,30 EUR
- exercise (Market Maker)	per contract	0.05 – 0.06 EUR
- exercise adjustment	per transaction	0.00 EUR

If the Market Maker requirements have been met, so that transaction fees will be subject to a refund in accordance with section 2.2.27 a), then rebates will be given to Market Makers for exercise, so that the actual fees for exercises (Market Maker) on the basis of contracts traded in M-accounts per months are as follows:

Traded contracts per month in M-accounts:	actual fees per exercised contract:
- up to 20.000	0.06 EUR
- more than 20.000	0.05 EUR

Implementation Regulations for the Handling of Erroneous Entries (Fehleingaben) at Eurex Deutschland and Eurex Zürich

1.1 Pursuant to Subsection 1.2.6 Paragraph (2) of the Conditions for Trading at Eurex Deutschland and Eurex Zürich

1.1.1 Scope of Application

The following Implementation Regulations under subsection 1.2.6 paragraph (2) of the Conditions for Trading (Handelsbedingungen) relate to erroneous entries in the trading of options contracts on stocks and stock indices.

1.1.2 Conditions

The Management Boards of the Eurex Exchanges shall cancel a transaction in order to ensure orderly and fair market conditions if

a. the price of the transaction effected by the erroneous entry deviates significantly from the market price -- hereinafter referred to as the "Reference Price" -- and

b. the Exchange Participant which entered the erroneous entry asserts to the Eurex Exchanges without delay that it mistakenly entered the order or quote incorrectly into the System of the Eurex Exchanges.

The assertion of any further rights shall remain unaffected.

In order to determine if the price of the transaction deviates significantly from the Reference Price, such prices shall be set in proportion to one another in accordance with the following provisions:

The Reference Price shall generally be established as the average of the prices of the transaction effected immediately before and the transaction effected immediately following the erroneous entry. If only one of these prices is available, such price shall be used as the Reference Price.

If a Reference Price cannot be determined pursuant to the foregoing provision or if the Reference Price so determined does not correspond to fair market conditions, the Eurex Exchanges, with the assistance of the option price model (Optionspreismodell) employed by them, shall determine a "theoretically fair" price and use such price as the Reference Price. Alternatively, the Eurex Exchanges shall select, from among the group of Exchange Participants admitted to trading on the Eurex Exchanges which do not have an interest in the transaction, three competent individuals (chief traders), each of whom shall calculate a market price for the option series concerned; the average of the prices determined by these three individuals shall then be the Reference Price.

In determining whether the price of the transaction deviates significantly from the Reference Price, a distinction shall be made in the following manner between options contracts on stocks in German joint stock corporations (German stock options) or on German stock indices, the Dow Jones STOXX 50 Index, the Dow Jones EURO STOXX 50 Index, the Dow Jones Global Titans 50

Index[SM], the Dow Jones EURO STOXX[SM] Sector Indices and options contracts on stocks in Swiss joint stock corporations (Swiss stock options) or on Swiss stock indices, option contracts on stocks in Finnish joint stock corporations (Finnish stock options) or Finnish stock indices, options contracts on stocks in Dutch joint stock corporations (Dutch stock options), options contracts on stocks in Italian joint stock corporations (Italian stock options), options contracts on stocks in French joint stock corporations (French stock options), options contracts on stocks in joint stock corporations listed on Neuer Markt (Neuer Markt stock options), and options contract on stocks in US-American joint stock corporations (US-American stock options):

A significant deviation of the price of the transaction from the Reference Price in the case of options contracts on stocks in German joint stock corporations (German stock options), stocks in Finnish joint stock corporations (Finnish stock options), stocks in Dutch joint stock corporations (Dutch stock options), stocks in Italian joint stock corporations (Italian stock options), stocks in French joint stock corporations (French stock options), on stocks in joint stock corporations listed on Neuer Markt (Neuer Markt stock options), on stocks in US-American joint stock corporations (US-American stock options) and on Dow Jones Euro STOXX[SM] Sector Indices is to be presumed when the amount of the deviation exceeds the maximum spread valid at that time with regard to the Reference Price.

The above regulation for the determination of a significant deviation of the price of the transaction from the Reference Price shall also apply to Low Exercise Price Options (LEPO) on the respective joint stock corporations.

A significant deviation of the price of the transaction from the Reference Price in the case of options contracts on German stock indices, Finnish stock indices and options contracts on the Dow Jones STOXX 50 Index or the Dow Jones EURO STOXX 50 Index is to be presumed when the amount of the deviation

- exceeds 20 points [1) 2)] or

- if not in excess of 20 points[1) 2)], the deviation exceeds 20 per cent of the Reference Price or at least 3 points[1) 2)].

[1)] This shall not apply to options on the NEMAX 50: A significant deviation of the price of the transaction from the Reference Price in the case of options contracts on the NEMAX 50 is only given when the deviation exceeds 50 points or, if not in excess of 50 points, exceeds 20 per cent of the Reference Price or at least 5 points.

[2)] This shall neither apply to options contracts on the Dow Jones EURO STOXX 50 Index with terms longer than 24 months: A significant deviation of the price of the transaction from the Reference Price in these options contracts is to be presumed if the deviation exceeds the maximum spread valid at that time with regard to the Reference Price.

A significant deviation of the price of the transaction from the Reference Price in the case of options contracts on the Dow Jones Global Titans 50 Index[SM] is to be presumed when the amount of the deviation

- exceeds 5 points or

- if not in excess of 5 points, the deviation exceeds 20 per cent of the Reference Price or at least 1 point.

A significant deviation of the price of the transaction from the Reference Price in the case of options contracts on stocks in Swiss joint stock corporations (Swiss stock options) or on Swiss stock indices is to be presumed when the deviation exceeds 75 per cent of the maximum spread valid at that time with regard to the Reference Price.

Exception:

- The foregoing provision for determining a significant deviation from the Reference Price in the case of transactions pertaining to options contracts on Swiss stocks (Swiss stock options) or Swiss stock indices shall not apply to Low Exercise Price Options on Swiss stocks (LEPO). In the case of LEPO transactions, a significant deviation in the price of a transaction from the Reference Price is to be presumed when the deviation

  - exceeds 0.75 per cent of the Reference Price or at least 3.00 CHF. [3)]

[3)] This shall not apply to options for which the underlying security is Rentenanstalt: A significant deviation of the price of the transaction from the Reference Price is only given when the deviation

- exceeds 1.5 per cent of the Reference Price or at least 3.00 CHF.

The provisions of subsection 1.1.2 shall apply *mutatis mutandis* to a combination order pursuant to subsection 1.3.1 paragraph (1) item c of the Conditions for Trading at Eurex Deutschland and Eurex Zürich that has been mistakenly entered into the System of the Eurex Exchanges incorrectly and has been matched with two limit orders (subsection 1.3.1 paragraph (1) item b of the Conditions for Trading at Eurex Deutschland and Eurex Zürich). However, in respect of the two resulting transactions, whether the price of one of the transactions or of both the transactions deviates significantly from the market price ("Reference Price") is to be determined separately. If the price of only one of the two transactions deviates significantly from the market price ("Reference Price") within the meaning of the foregoing provisions, only such transaction shall be cancelled. The remaining transaction, the price whereof corresponds to the market price ("Reference Price"), shall not be cancelled.

The Implementation Regulations for the Handling of Erroneous Entries set forth in subsection 1.3 shall apply to a combination order pursuant to subsection 1.3.1 paragraph (1) item c of the Conditions for Trading at Eurex Deutschland and Eurex Zürich that has been mistakenly entered into the System of the Eurex Exchanges incorrectly and has been matched with a combination order.

1.1.3 Form Claim

The Exchange Participant claiming an erroneous entry must assert such claim against the Eurex Exchanges by telephone or fax. The assertion of such claim against any one of the Eurex Exchanges shall be deemed to have been made against all Eurex Exchanges.

1.1.4 Cancellation

Cancellation of the transaction by the Eurex Exchanges is effected by means of entering a countertransaction into the System of the Eurex Exchanges at the price of the erroneous entry.

1.1.5 Costs

The Eurex Exchanges shall charge a handling fee -- reflecting expenses but in any case in the minimum amount of 150 EUR [1)] or 250 CHF [2)] per erroneous entry -- to be paid by the Exchange Participant who caused the erroneous entry. All Eurex Exchange fees that arise - including those in respect of the cancellation transaction - shall be cancelled by the Eurex Exchanges.

[1)] Options which are listed in EUR.

[2)] Options which are listed in CHF.

1.1.6 Final Provisions

The Eurex Exchanges shall send a confirmation to the parties concerned to the effect that the relevant transaction has been cancelled by the Eurex Exchanges according to subsection 1.2.6 paragraph (2) of the Trading Conditions in connection with these Implementation Regulations. The Eurex Exchanges shall publish all necessary price corrections by means of electronic media. The manner and scope of such publication shall be determined by the Management Board of Eurex Deutschland or of Eurex Zürich.