X-pand into the Future

e u r e x *circular 091/00*

Date: Frankfurt, 03 November, 2000
Recipients: All Eurex members and vendors
Authorised by: Jörg Franke

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

Introduction of Options on 8 French Dow Jones EURO STOXX® 50 Equities

Related Eurex Circulars: 009/00, 035/00

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Content may be most important for:

➲ All Departments

Attachments:

1. Contract Specifications - French Stock Options
2. Trading Conditions - Subparts 2.2.23, 2.2.24
3. Clearing Conditions - Subparts 2.2.23, 2.2.24
4. Price List - Subparts 2.2.23, 2.2.24
5. Fax Reply – "Underlying Price Data ..."
6. Market Maker Obligations – French Stock Options
7. Market Maker Application - Options

Summary:

On 20 November, 2000 Eurex will introduce 8 French equity options based on Dow Jones EURO STOXX® 50 equities.

The circular provides detail under the following headings:

1. Products and Product Parameters
2. Trading Phases
3. Market Making
4. Data Vendor Symbols
5. Transaction Limits
6. Minimum OTC Block Trade Size
7. Minimum Size for Cross- and Prearranged -Trades
8. Holiday Calendar
9. Preparation for Start of Trading

URGENT: If you intend to trade these products, and you have not already returned the Fax reply acknowledging the underlying price procedure for Eurex-traded Dutch, Italian and French stock options, please do so urgently.

Introduction of Options on 8 French Dow Jones EURO STOXX® 50 Equities

Following a decision of the Eurex Boards of Management, Eurex will introduce 8 new equity options based on French component stocks of the Dow Jones EURO STOXX® 50 index. LEPOs on the stocks will be introduced at the same time. The new options will be available for trading from **20 November, 2000**.

The Contract Specifications are included as Attachment 1. Extracts related to the new products from the Rules and Regulations which will take effect on 20 November are provided for your convenience. Thus, the new sections 2.2.23 and 2.2.24 in each of the Conditions for Trading (Attachment 2), the Clearing Conditions (Attachment 3) and the Price List (Attachment 4) are also attached.

Please note that returning the signed Fax reply (Attachment 5) acknowledging the underlying price procedure is a mandatory prerequisite for trading the new equity options. If you intend to trade the new French options, and have not already sent the form back in connection with the introduction of the Dutch and Italian equity options, please ensure that it is sent back to Eurex before trading.

1. Products and Product Parameters

Stock Option	Country	Eurex Code	WKN	ISIN	Position limits	MM Position limits	Margin Interval
Aventis	France	AVE	925700	FR0000130460	117.000	351.000	10%
France Telecom	France	FTE	906849	FR0000133308	76.900	230.700	13%
Total Fina	France	TOTB	850727	FR0000120271	109.900	329.700	10%
Carrefour	France	CAR	852362	FR0000120172	104.700	314.100	10%
AXA-UAP	France	AXA	855705	FR0000120628	59.300	177.900	9%
Vivendi	France	GEX	853950	FR0000121436	90.900	272.700	11%
L'Oréal	France	LOR	853888	FR0000120321	50.800	152.400	12%
BNP Paribas	France	BNP	887771	FR0000131104	67.600	202.800	10%

2. Trading Phases

Stock Options	Pre-trading	Trading	Exercises	Post-trading
French Stock Options	07.30 – 09:30 CET	09.30 – 17:35 CET	09.30 – 18.30 CET	17.35 – 18.30 CET

3. Market Making

Market making will follow the normal market making scheme for options at Eurex with the quote obligations as defined in Attachment 6. Please be aware that the maximum spreads defined in Attachment 6 will be widened in the near future, and details will be circulated within the coming days. If you are interested in fulfilling the market maker function for these stock options, please complete and return the Market Maker Application form (Attachment 7) before **14 November, 2000** for the attention of **Ms Kilian, on Fax. +49 (0)69-2101-3802**.

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Management Board:
Dr. Jörg Franke, Rudolf Ferscha,
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Michael Widmer

4. Data Vendor Codes

Stock Option	Reuters	Bridge	Silverline	Telekurs/ b.i.s./EAG/Fides/ Datastream/Bloomberg
Aventis	AVEP*.EX	FR; AVE M<strike>	925700	AVE
France Telecom	FTE*.EX	FR; FTE M<strike>	906849	FTE
Total Fina	TOTF*.EX	FR; FP M<strike>	850727	TOTB
Carrefour	CARR*.EX	FR; CA M<strike>	852362	CAR
AXA-UAP	AXAF*.EX	FR; CS M<strike>	855705	AXA
Vivendi	UN*.EX	FR; EX M<strike>	853950	GEX
L'Oréal	OREP*.EX	FR; OR M<strike>	853888	LOR
BNP Paribas	BNPP*.EX	FR; BNP M<strike>	887771	BNP

5. Transaction Limits

Transaction limits for the respective products per day and per participant are set as follows:

- 4,000 transactions total
- 3,000 manual or machine Massquote-Release transactions each

6. Minimum OTC Block Trade Size

The minimum Block Trade size is 250 contracts.

7. Minimum Size for Cross- and Prearranged -Trades

The minimum order sizes in accordance with subsection 1.3.3 of the Conditions for Trading for Cross and Prearranged Trades in the trading of the new stock options are 250 contracts.

8. Holiday Calendar

Corresponding with the exchange holidays at the home exchange, the table below shows the dates on which the new options are not tradable at Eurex in 2000.

Holidays – French Stock options
25. December 2000
26. December 2000

9. Preparation for Start of Trading

- On **16 November, 2000** (Thursday) the new French options will be set up in the Eurex system. Corresponding back office messages will be generated.
- On **17 November, 2000** (Friday) settlement prices with a value of EUR 0.01 for the French equity options will be sent after 19.00 CET for all contract months in the relevant products. Additionally, transactions for the PMI file will be generated. Within the scope of the daily transmission of theoretical prices, prices will also be transmitted for these products. Please ignore them.
- On **20 November, 2000** (Monday) trading in the French equity options will commence. Orders and quotes may be entered into the Eurex system from 07.30 CET.

Frankfurt 03 November, 2000

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Management Board:
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Contract Specifications for:
Stock Options on French 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

Three exchange trading days after the exercise (T+3).

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 6:30 p.m. CET on any exchange trading day during the life of the option.

Expiration Months

The three nearest calendar months, as well as the following two months within the cycle March, June, September and December thereafter (i.e. up to a maximum of 9 months).

Exercise Prices

Options series may have the following exercise prices:

Exercise Price in euro	Exercise Price Gradations in euro
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 first and second expiration date in the at-the-money area

Optionable Stocks

The following equity options on French stocks are tradable at Eurex:

AXA-UAP	AXA
Aventis	AVE
BNP Paribas	BNP
Carrefour	CAR
France Telecom	FTE
L`Oréal	LOR
Total Fina	TOTB
Vivendi	GEX

Trading hours

9:30 a.m. until 5:35 p.m. CET.

Option Premium

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

Conditions for Trading at Eurex Deutschland and Eurex Zürich

2.2.23 Sub-Subpart
Specifications for Options Contracts on Stocks of French Stock Corporations (French Stock Options)

2.2.23.1 Subject Matter of Contract

Each contract shall generally cover 100 shares unless the Boards of Management have determined otherwise. Subsection 2.2.23.7 shall remain unaffected.

2.2.23.2 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.

2.2.23.3 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.

2.2.23.4 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”).

2.2.23.5 Term, Close of Trading, Expiration Day

(1) Options are available at the Eurex Exchanges with terms up to and including the next, the second and third succeeding expiration days as well as up to and including the next two succeeding quarterly expiration days (March, June, September and December) thereafter up to a term of not more than nine months.

(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 that such Friday is an Exchange day, otherwise 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.

2.2.23.6 Exercise Prices

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

Exercise price in EUR	Exercise price intervals in EUR
0 – 5	0.20
5.5 – 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

(2) Upon the admission of a contract, at least three exercise prices for trading shall be made available for each term for each call and put for every settlement date, such that 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 last price of the respective underlying security effected in the continuous trading in the electronic trading system of Bourse de Paris on the previous exchange day has reached, exceeded or fallen below the average of the two highest respectively two lowest exercise prices according to paragraph (1).

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

2.2.23.7 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 distributions 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 generally 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 price of the respective underlying security established during the closing auction of the electronic trading system of Bourse de Paris. If no price in the underlying security is effected on the closing auction, the volume-weighted average of the last three "paid" prices (Bezahlt-Preise) of the respective underlying security effected on the electronic trading system of Bourse de Paris between the close of trading in stock options at Bourse de Paris and at the Eurex Exchanges shall be used.

If more than 15 minutes have passed since the last price was established, or if such price of the respective underlying security no longer corresponds 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 generally 100 shares, to the extent that the Exchange Council of Eurex Deutschland or the Administrative Council of Eurex Zurich 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 last price of the respective underlying security effected during the closing auction of the electronic trading system at Bourse de Paris.

If no price in the underlying security is effected on the closing auction, the volume-weighted average of the last three "paid" prices (Bezahlt-Preise) of the respective underlying security effected on the electronic trading system of Bourse de Paris between the close of trading in stock options at Bourse de Paris and at the Eurex Exchanges shall be used.

If more than 15 minutes have passed since such price was established, or 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, 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, stock splits and similar events. Paragraph (3) sentence 3 and 4 shall apply to such cash settlements mutatis mutandis.

In case of capital reductions, the exercise price and the 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 by a value such that the original value of the contract remains unchanged. Any remaining fractions of shares shall be settled in cash.

(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 2.2.23.1 and 2.2.23.6.

In the event of changes to the share capital (paragraphs (3) to (7) 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"), 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 of the options shall in addition be adjusted in such a manner that the original contract value is maintained. When an option is exercised after the Reference Date, the Eurex Exchanges shall provide a cash compensation for any fractional shares the new contract size may cover. The new underlying security 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 old 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 recognised 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 recognised 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.

2.2.23.8 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.

2.2.23.9 Exercise

(1) Options may be exercised by the purchaser on any Exchange day until the end of the Post Trading 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 2.2.23.5 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 the 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 telefax) no later than the end of the Post-Trading 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 Period on the date of entry.

2.2.23.10 Assignment

(1) All exercises shall be assigned to the writers of the exercised option series after the end of the Post-Trading Period. Assignments shall be binding. Exercises may be assigned to writers throughout the term of the option contract, including on the expiration day (subsection 2.2.23.5 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 its announcement.

(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-Positions Accounts of an Exchange Participant must be performed by that Exchange Participant and may not be transferred onward to customers.

2.2.23.11 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.

2.2.24 Sub-Subpart
Specifications for Low Exercise Price Options (LEPO) on Stocks of French Stock Corporations

2.2.24.1 Subject Matter of Contract

Each contract shall generally cover 100 shares unless the Boards of Management of the Eurex Exchanges have determined otherwise. Subsection 2.2.24.6 shall remain unaffected.

2.2.24.2 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 shares underlying the contract 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.

2.2.24.3 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”.

2.2.24.4 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 of the cycle (March, June, September and 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 terms 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 that such Friday is an Exchange day, otherwise 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.

2.2.24.5 Exercise Prices

LEPO shall have an exercise price of 1 EUR.

2.2.24.6 Alterations of Exercise Prices and Expiration Days

The provisions of subsection 2.2.23.7 with respect to alterations in the exercise prices and expiration days of French 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 French stocks shall in any case remain unaffected. To maintain the original contract value, the change in the capital shall be taken account of by determining new contract size.

2.2.24.7 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.

2.2.24.8 Exercise

(1) Any LEPO may be exercised by the purchaser on any Exchange day until the end of the Post-Trading 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 2.2.24.4 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 becoming due.

(3) Each Exchange Participant shall be responsible for exercising 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 telefax) no later than the end of the Post-Trading Period on or before the last trading day of the 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 extend 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 Period on the date of entry.

Conditions for Trading at Eurex Deutschland and Eurex Zürich

2.2.24.9 Assignment

(1) All exercises shall be assigned to the writers of the exercised option series after the end of the Post-Trading 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.

2.2.24.10 Performance, Delivery

Deliveries resulting from exercises and assignments of options shall occur between the relevant Clearing Members and Eurex. 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.

Clearing Conditions for Eurex Clearing AG

2.2.23 Sub-Subpart

Settlement of Options Contracts on Stocks of French Stock Corporations (French Stock Options)

2.2.23.1 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 CBF and payments shall be made through LZB.

Each Clearing Member and Eurex Clearing AG must ensure, through appropriate instruction to CBF or SIS, 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 CBF or SIS and credit balances in the Clearing Member's account at LZB.

2.2.23.2 Option Premiums

The balance of the option premiums ("Net Premium") to be paid by the Clearing Members pursuant to subsection 2.2.23.4 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.

2.2.23.3 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 last price of the respective underlying security effected on the closing auction in the electronic trading system of Bourse de Paris and the exercise price shall be used for exercised and assigned positions in options contracts on shares of French stock corporations.

If no price in the underlying security is effected on the closing auction, the volume-weighted average of the last three "paid" prices (Bezahlt-Preise) of the respective underlying security effected in the electronic trading system of Bourse de Paris between the close of trading at Bourse de Paris and the close of trading at Eurex Deutschland in French stock options shall be used.

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 favourable price developments, as determined by Eurex Clearing AG, until the next calculation of margin.

2.2.23.4 Dividends

If a French stock option is exercised before the day on which a dividend resolution is passed, the new owner of the shares shall be entitled to the dividend.

2.2.23.5 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 CBF 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 through a replacement transaction on a stock exchange 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 2.2.23.5 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 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.

(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.

2.2.24 Sub-Subpart

Settlement of Low Exercise Price Options (LEPO) on French Stocks

2.2.24.1 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 CBF or SIS and payments shall be made through LZB.

Each Clearing Member and Eurex Clearing AG must ensure, through appropriate instruction to SIS or CBF, 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 SIS or CBF and credit balances in the Clearing Member's account at LZB.

2.2.24.2 Option Premiums

The balance of the option premiums ("Net Premium") to be paid by the Clearing Members pursuant to subsection 2.2.24.3 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.

2.2.24.3 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 last price of the respective underlying security effected in the electronic trading system of Bourse de Paris and the exercise price shall be used for exercised and assigned positions in options contracts on shares of French stock corporations.

If no price in the underlying security is effected on the closing auction, the volume-weighted average of the last three "paid" prices (Bezahlt-Preise) of the respective underlying security effected in the electronic trading system of Bourse de Paris between the close of trading at Bourse de Paris and the close of trading at Eurex Deutschland in French stock options shall be authoritative.

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 favourable price developments, as determined by Eurex Clearing AG, until the next calculation of margin.

2.2.24.4 Dividends

If a LEPO on French shares is exercised before the day on which a dividend resolution is passed, the new owner of the shares shall be entitled to the dividend.

2.2.24.5 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 SIS 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 through a replacement transaction on a stock exchange 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 2.2.24.5 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 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.

(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.

2.2.23 French Stock Options

with respect to French Stock Options, fees for:

a.	order matching		
	- trade	per contract	EUR 0.20
	- trade (Market Maker)	per contract	EUR 0.04
b.	trade administration		
	- trade separation	per transaction	EUR 0.00
	- trade transfer	per transaction	EUR 0.00
	- adjustment of an opening/closing transaction	per transaction	EUR 0.00
c.	position administration		
	- position closing transaction	per transaction	EUR 0.00
	- position transfer	per transaction	EUR 0.00
	- position transfer from Market Maker account	per contract	EUR 0.16
d.	settlement of trades and positions		
	- exercise	per contract	EUR 0.20
	- exercise (Market Maker)	per contract	EUR 0.04
	- exercise adjustment	per transaction	EUR 0.00

2.2.24 LEPO on Stocks of French Stock Corporations

with respect to LEPOs of French Stock Corporations , fees for:

a.	order matching		
	- trade	per contract	EUR 0.20
	- trade (Market Maker)	per contract	EUR 0.04
b.	trade administration		
	- trade separation	per transaction	EUR 0.00
	- trade transfer	per transaction	EUR 0.00
	- adjustment of an opening/closing transaction	per transaction	EUR 0.00
c.	position administration		
	- position closing transaction	per transaction	EUR 0.00
	- position transfer	per transaction	EUR 0.00
	- position transfer from Market Maker account	per contract	EUR 0.16
d.	settlement of trades and positions		
	- exercise	per contract	EUR 0.20
	- exercise (Market Maker)	per contract	EUR 0.04
	- exercise adjustment	per transaction	EUR 0.00

X-pand into the Future

Attachment 5 to Eurex Circular 091/00

Before trading Eurex options on Dutch, Italian, and French equities it is prerequisite for you to sign and return this form.

Please send it back to Eurex to Mr. David Parr, Member Readiness Fax: +49 (0)69 2101 1701.

Underlying Price Data Feed for Dutch, Italian, and French Equity Options on Eurex

We confirm that we have taken notice and that we acknowledge by signing this form that Eurex will not publish the underlying prices from the respective home exchange for the Dutch, Italian and French equity options in the Eurex system (e.g. in the 'underlying' zone of the C100 Screen). The price source for publication of underlying prices for these equity options is the FWB (Frankfurt Stock Exchange).

We are aware that these prices are only relevant for the price validation for block trades and understand that all Eurex option price calculations such as settlement prices or mis-trade reference prices will be based on the prices of the respective home exchange.

We are conscious of the fact that this procedure is different from the procedure for the existing German, Swiss, and Finnish equity options on Eurex.

We accept and acknowledge by signing and returning this form that being aware of the above-acknowledged facts is an absolute prerequisite for trading the above-mentioned equity options.

Date: _____

Company: _____

Member ID. ___ ___ ___ ___ ___

Name and Signature: _____

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Management Board:
Dr. Jörg Franke, Rudolf Ferscha,
Otto E. Nägeli, Jürg Spillmann,
Michael Widmer

Market Maker Quote Obligations

French Equity Options

Quote Obligations

Minimum Size:

50 contracts on the bid and ask side in all option series for Aventis, AXA-UAP, BNP Paribas, Carrefour, France Telecom, L'Oréal, Total Fina, Vivendi.

Maximum Spread:

Bid up to	***Spread***
1.33	0.20 EUR
6.66	15 %
999.80	1.00 EUR

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

Application for the Granting of Market Maker Licences at Eurex

Eurex

Membership

60284 Frankfurt

(Fax: ++49 69 2101-3802)

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)	☐ **CAR (Carrefour)**	☐ EOA (E.ON)	☐ KAR (Karstadt)
☐ ABBN (ABB)	☐ CBK (Commerzbank)	☐ EPC (Epcos AG)	☐ KPN (KPN)
☐ ADEN (Adecco)	☐ CFR (Richemont)	☐ ETV (EM. TV & Merchand.)	☐ KUD (**Kudelski)**
☐ ADS (Adidas)	☐ CIBN (Ciba Spezialitäten)	☐ FME (Fresenius Med.Care)	☐ LHA (Lufthansa)
☐ AEN (Aegon)	☐ CLN (Clariant)	☐ FOT (Fortum Corporation)	☐ LIN (Linde)
☐ AHO (Ahold)	☐ CSGN (Credit Suisse Gr.)	☐ **FTE (France Telecom)**	☐ LONN (Lonza)
☐ ALUB (Alcan/Lonza basket)	☐ CSO (Consors)	☐ **GEX (Vivendi)**	☐ **LOR (L'Oréal)**
☐ ALV (Allianz)	☐ DBK (Deutsche Bank)	☐ GIVN (Givaudan)	☐ MAN (MAN)
☐ ASG (Generali)	☐ DCX (Daimler Chrysler)	☐ HEN3 (Henkel VZ)	☐ MEO (Metro)
☐ **AVE (Aventis)**	☐ DHA (Degussa Hüls)	☐ HOEC (Hoechst)	☐ MLP3 (MLP Vz.)
☐ **AXA (AXA-UAP)**	☐ DPW (Dt. Post World Net)	☐ HOL (Holderbank)	☐ MMN (Mannesmann)
☐ BAER (Julius Bär)	☐ DRB (Dresdner Bank)	☐ HUKI (Huhtamäki I)	☐ MOB (Mobilcom AG)
☐ BAS (BASF)	☐ DTE (Deutsche Telekom)	☐ HVM (Bayer.Hypo-.Vereinsb.)	☐ MSRB (Metsä-Serla Corp.B)
☐ BAY (Bayer)	☐ EIA (Elisa Communications)	☐ INN (ING)	☐ MUV2 (Münchner Rück.)
☐ BMW (BMW)	☐ ENT (ENI)	☐ IFX (Infineon Technologies AG)	☐ NESN (Nestlé)
☐ **BNP (BNP Paribas)**	☐ ENUR (StoraEnso R)	☐ ISH (Intershop Comm. AG)	☐ NOA3 (Nokia Corporation A)

☐ NOVN (Novartis)	☐ RWE (RWE)	☐ SOY (Sonera Corporation)	☐ UBSN (UBSAG)
☐ PHI1 (Philips St.)	☐ SAP3 (SAP VZ.)	☐ SRN (Sair Group)	☐ UHRN (The Swatch Group)
☐ PRS (Preussag)	☐ SCH (Schering)	☐ SUN (Sulzer)	☐ UNAX (Unaxis)
☐ RAN (Rentenanstalt)	☐ SCMN (Swisscom)	☐ SYNN **(Syngenta)**	☐ UNI (Unilever)
☐ ROG (Roche Holding)	☐ SEO **(Serono)**	☐ TKA (Thyssen Krupp)	☐ VIA (E.ON)
☐ ROY (Royal Dutch)	☐ SET (Tele. Italia)	☐ TOI (T-Online)	☐ VLM (Metso Corporation)
☐ RPL (UPM-Kymmene Corp.)	☐ SIE (Siemens)	☐ **TOTB (Total Fina)**	☐ VOW (Volkswagen)
☐ RUKN (Schweiz. Rückv.)	☐ SMPA (Sampo Insurance)	☐ TTEB (TietoEnator Corp.)	☐ ZURN (Zurich Finan.Serv.)

☐ 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

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