X-pand into the Future

e u r e x *circular 206/06*

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Recipients: All Eurex members and vendors
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Market Maker Obligations in Equity Options: Adjustment

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Content may be most important for:	**Attachment:**
➲ All departments	Market Maker Obligations at Eurex (only on the Eurex website)

Quote requirements for Market Makers in equity options at Eurex will be adjusted effective **November 1, 2006**. The adjustment will affect parameters in the three different Market-Making models, i.e., Regular Market-Making (RMM), Permanent Market-Making (PMM) and Advanced Market-Making (AMM).

On January 1, 2005, Eurex introduced two more market-making models for permanent quotation in addition to the existing quote-upon-request model (RMM). These new models contain continuous quotation in single equity options (PMM) as well as continuous quotation of whole packages of products (AMM).

Based on changes in price levels and liquidity of stocks, an adjustment in the form of harmonization of quote parameters will take place for the first time. Quote obligations for the three Market Maker models (minimum quote size and maximum spread) will be adjusted effective **November 1, 2006**. For the new quote obligations, please see the attached document.

The attachment can be found on the Eurex website under the following path:

www.eurexchange.com > Trading > Market Model > Market-Making > Market Maker Obligations

Members who are taking part in Market-Making are kindly requested to adjust their system settings accordingly.