



eurex circular 101/08

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Recipients: All Trading Members of Eurex Deutschland and Eurex Zürich and Vendors

Intesa Sanpaolo: Extraordinary Dividend

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Content may be most important for:

- Front Office/Trading
- Middle + Backoffice
- Auditing/Security Coordination

Attachments:

none

Summary:

On April 30, 2008, the annual general meeting of the company Intesa Sanpaolo decided on the payment of a dividend of EUR 0.38 for the bearer shares of the company. According to a notification of the company from March 20, 2008, EUR 0.16 of this dividend are considered to be an extraordinary dividend.

You were already informed on March 25, 2008 via the **Market Supervision Messages** window that an adjustment of the existing Eurex options series on the Intesa Sanpaolo share (IES5/PAO5) and Eurex stock futures contract on Intesa Sanpaolo (IESG) would be required.

Ex date will be **May 19, 2008**.

This circular contains a description of the adjustment procedure.



Intesa Sanpaolo: Extraordinary Dividend

Measure:

Distribution of extraordinary dividend of EUR 0.16 on shares of the company Intesa Sanpaolo

Last Cum Trading Day:

May 16, 2008

Ex Date:

May 19, 2008

Affected Products:

IES5/PAO5/IESG

Reference to underlying Eurex Rules & Regulations:

Contract Specifications for Futures Contracts and Options Contracts at Eurex Deutschland and Eurex Zürich, Sections 1.6.7 (2) and 2.6.10.1 (2).

The updated Contract Specifications for Futures Contracts and Options Contracts at Eurex Deutschland and Eurex Zürich will be available on the Eurex website as of the ex date under:

www.eurexchange.com > Documents > Rules and Regulations

Adjustment of ISIN:

The ISIN of the Intesa Sanpaolo share (IT0000072618) will remain unchanged.

Procedure:

Determination of Adjustment Factor (R-Factor)

The official closing auction price of the Intesa Sanpaolo share at Borsa Italiana on May 16, 2008 will be reduced by the regular dividend. The price resulting from this will be the basis for determination of the R-factor:

- S1 = Closing auction price of the Intesa Sanpaolo share
- S2 = S1 minus regular dividend
- S3 = S2 minus extraordinary dividend
- R-factor = $S3/S2$

Options

1. Adjustment of Strike Prices and Contract Sizes

All existing strike prices will be multiplied by the R-factor.

The contract size will be increased accordingly, so that the original contract value is maintained.

- C1 = old contract size
- C2 = new contract size
- X1 = old strike price
- X2 = new strike price
- C2 = $(C1 \cdot X1) / X2$

The version number of the existing series will be increased by 1.

Adjusted strike prices and contract sizes will be published via the **Market Supervision Messages** window immediately after close of trading on the last cum-trading day.

All outstanding orders and quotes will be deleted after close of trading on the last cum trading day.

2. Exercises

Generally, upon exercise of an adjusted series, cash payment will be made for the fractional part of the new contract size.

For adjusted series as of version 2, deviations in the delivery process might occur. In report RPTTA111 (All Active / Inactive Series), those parts of the contract size are displayed for which cash settlement takes place upon exercise of an adjusted series.

3. Introduction of new series

For the product IES5, new series with standard contract size 1000, and version number 0 will be introduced effective ex date.

Futures

1. Adjustment of Contract Size and Variation Margin

The adjustment will be done by means of the same R-factor as for the options.

To adjust the calculation of the Variation Margin, settlement prices of the last cum trading day will be multiplied by the R-factor.

The new contract size will be calculated as follows:

$$\text{Contract size new} = \text{contract size old} / \text{R-factor}$$

All outstanding orders and quotes will be deleted after close of trading on the last cum trading day.

2. Introduction of a new Contract

A new contract on Intesa Sanpaolo will be introduced with standard contract size 1000 and new product code IESH.

The exact date of introduction will be published via the **Market Supervision Messages** window.

As soon as the new contract is available for trading and there are no more series with open interest in the original contract on Intesa Sanpaolo (IESG), trading in this contract will be put on "HALT" and finally discontinued.

Should there be no more open interest in the original contract on Intesa Sanpaolo (IESG) after close of trading on the last cum trading day, no adjustment will be made and no new contract will be introduced.

Thomas Lenz

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Frankfurt, May 6, 2008