X-pand into the **Future**

eurex circular 113/09

Date: Frankfurt, June 15, 2009
Sender: 1. Eurex Deutschland and Eurex Zürich
2. Eurex Clearing AG
Recipients: All Trading Members of Eurex Deutschland and Eurex Zürich, all Clearing Members of Eurex Clearing AG and Vendors
Authorized by: Peter Reitz

High priority

Volatility Index Derivatives: Delisting of three Futures on Volatility

Related Eurex Circulars: 090/09

Contact: Alexey Weizmann (Product Strategy), tel. +49-69-211-1 97 33,
e-mail: alexey.weizmann@eurexchange.com

Content may be most important for:

- All departments

Attachments:

Updated sections of:

Eurex Deutschland and Eurex Zürich

1. Contract Specifications for Futures Contracts and Options Contracts at Eurex Deutschland and Eurex Zürich

Eurex Clearing AG

2. Clearing Conditions for Eurex Clearing AG
3. Price List for Eurex Clearing AG
4. Conditions for Utilization of the OTC Trade Entry Facilities (General Conditions for Participation)

Summary:

As announced in Eurex circular 090/09, the Management Boards of the Eurex Exchanges approved the de-listing of the following three futures on volatility: Futures on VSTOXX® (FVSX), Futures on VDAX-NEW® (FVDX) and Futures on VSMI® (FVSM).

The de-listing will become effective on **July 1, 2009**.

The circular contains the modified sections of the respective rules and regulations.

Volatility Index Derivatives: Delisting of three Futures on Volatility

The Management Boards of the Eurex Exchanges approved the de-listing of the following three futures on volatility: Futures on VSTOXX® (FVSX), Futures on VDAX-NEW® (FVDX) and Futures on VSMI® (FVSM), effective July 1, 2009.

Eurex Deutschland and Eurex Zürich

To implement these decisions, Contract Specifications for Futures Contracts and Options Contracts at Eurex Deutschland and Eurex Zürich will be amended as specified in attachment 1 with effect from July 1, 2009.

Eurex Clearing AG

To implement the decisions of the Eurex Exchanges, Eurex Clearing AG will adjust the Clearing Conditions for Eurex Clearing AG (attachment 2), the Price List for Eurex Clearing AG (attachment 3) and the Conditions for Utilization of the OTC Trade Entry Facilities (General Conditions for Participation - attachment 4) with regard to the clearing services it offers. These changes will also become effective on July 1, 2009.

Frankfurt, June 15, 2009

****

CHANGES ARE MARKED AS FOLLOWS:

AMENDMENTS ARE UNDERLINED

DELETIONS ARE CROSSED OUT

****

[…]

1 Part: Contract Specifications for Futures Contracts

[…]

1.5 Subpart: Contract Specifications for Volatility Futures Contracts

The following sub-part contains contract specifications for Futures Contracts on Volatility Indices ("Volatility Index Futures Contracts").

1.5.1 Subject Matter of Contract

(1) A volatility index futures contract shall refer to a futures contract on a specific volatility index.

(2) The following Futures Contracts on volatility indices are available for trading at the Eurex Exchanges; the institutions mentioned in brackets, being owners of the respective index, are responsible for the calculation:

- ~~VDAX-NEW® Futures Contracts (product ID: FVDX) referring to the VDAX-NEW® Index (Deutsche Börse AG)~~
- ~~VSMI® Futures Contracts (product ID: FVSM) referring to the VSMI® Index (SIX Swiss Exchange AG)~~
- ~~VSTOXX® Futures Contracts (product ID: FVSX) referring to the VSTOXX® Index (STOXX Limited)~~
- VSTOXX® Mini Futures Contracts (product ID: FVS) referring to the VSTOXX® Index (STOXX Limited)

(3) The value of an Option contract shall be:

- ~~EUR 1000 per index point for VDAX-NEW® Futures contracts (product ID: FVDX) and VSTOXX® Futures contracts (product ID: FVSX)~~
- EUR 100 per index point for VSTOXX® Mini Futures contracts (product ID: FVS)
- ~~CHF 1000 per index point for VSMI® Futures contracts (product ID: FVSM)~~

[...]

1.5.4 Last trading day, Final Settlement day, Close of Trading

(1) Last trading day of the Volatility Index Futures Contract is the final settlement day.

(2) The Final settlement day of the Volatility Futures Contracts is 30 calendar days before the expiring date of the options underlying the volatility index (i.e. 30 days before the third Friday of the expiration month of the underlying options, provided that this is an Exchange day). Usually, this is the Wednesday before the second last Friday of a respective expiring month of the Volatility Index Future, provided that such day is an Exchange day, otherwise, it is the preceeding trading day.

(3) Close of trading on the last trading day

- ~~of the VDAX-NEW® Futures Contracts (product ID: FVDX) is 13:00 CET.~~
- ~~of the VSMI® Futures Contracts (product ID: FVSM) is 10:00 CET.~~
- of ~~the VSTOXX® Futures Contracts (product ID: FVSX) as well as~~ the VSTOXX® Mini Futures Contracts (product ID: FVS) is 12:00 CET

1.5.5 Price Gradations

The price of a Volatility Index Futures Contracts shall be calculated with two decimal places. The minimum price change (tick) is

- ~~0.05 points for VDAX-NEW® Futures Contracts (product ID: FVDX) and VSTOXX® Futures Contracts (product ID: FVSX); this corresponds to a value of EUR 50~~
- 0.05 points for VSTOXX® Mini Futures Contracts (product ID: FVS); this corresponds to a value of EUR 5
- ~~0.05 points for VSMI® Futures Contracts (product ID: FVSM); this corresponds to a values of CHF 50~~

[...]

Annex C in relation to Contract Specifications:

Trading Hours Futures Contracts

[...]

Volatility Index Futures Contracts

Product	Product ID	Pre-Trading-Period	Continuous Trade	Post-Trading Full Period	OTC Block Trading	Last Trading Day	
						Trade until	
~~VDAX-NEW ® Futures~~	~~FVDX~~	~~07:30-08:50~~	~~08:50-17:30~~	~~17:30-20:30~~	~~09:00-18:30~~	~~13:00~~	
~~VSMI® Futures~~	~~FVSM~~	~~07:30-08:50~~	~~08:50-17:20~~	~~17:20-20:30~~	~~09:00-18:30~~	~~10:00~~	
~~VSTOXX® Futures~~	~~FVSX~~	~~07:30-08:50~~	~~08:50-17:30~~	~~17:30-20:30~~	~~09:00-18:30~~	~~12:00~~	
VSTOXX®-Mini Futures	FVS	07:30-08:50	08:50-17:30	17:30-20:30	09:00-18:30	12:00	

All times in CET

[...]

****

CHANGES ARE MARKED AS FOLLOWS:

AMENDMENTS ARE UNDERLINED

DELETIONS ARE CROSSED OUT

****

Clearing Conditions for Eurex Clearing AG

[...]

Chapter II
Transactions at Eurex Deutschland and Eurex Zürich (Eurex Exchanges)

[...]

Part 2
Clearing of Futures Contracts

[...]

2.6 Clearing of Volatility Index Futures contracts

The following Numbers shall rule the Clearing of transactions of Volatility Index Futures contracts which have been named in Number 1.2 of the Contract Specifications for Futures contracts and Options contracts at Eurex Deutschland and Eurex Zürich.

[...]

2.6.2 Final Settlement Price

The final settlement price of the Volatility Index Futures Contract shall be determined by Eurex Clearing AG on the final settlement day (Number 1.5.4 of the Contract Specifications for Futures contracts and Options contracts at Eurex Deutschland and Eurex Zürich) of a contract.

~~(1) For VDAX®-NEW-Futures contracts (product ID: FVDX), the average value of all index calculations of the VDAX®-NEW between 12:30 and 13:00 CET on the last trading day applies.~~

~~(2) For VSMI® Futures contracts, the average value of all index calculations of the VSMI® between 9:00 and 10:00 CET on the last trading day applies.~~

~~(3)~~ For ~~VSTOXX® Futures contracts (product ID: FVSX) and~~ VSTOXX®-Mini Futures contracts (product ID: FVS), the average value of all index calculations of the VSTOXX® between 11:30 and 12:00 CET on the last trading day applies.

~~(4)~~ In case of extraordinary circumstances, especially if the trading is interrupted due to technical problems or if a price determination for one or more securities or book-entry securities is not possible for other reasons, Eurex Clearing AG may determine the final settlement price by means of another procedure.

[…]

****

CHANGES ARE MARKED AS FOLLOWS:

AMENDMENTS ARE UNDERLINED

DELETIONS ARE CROSSED OUT

****

[…]

3 Transaction Fees of Eurex Deutschland and Eurex Zürich

[…]

3.1 Matching of Exchange Transactions / Recording of Derivatives Transactions (Trade)

3.1.1 Exchange Transactions

3.1.1.1 Regular Transactions

Contract	Fee per Contract A and P Accounts	Fee per Contract M-Accounts (Regular Market-Making)*	Fee per Contract M-Accounts (Permanent Market-Making)*	Fee per Contract M-Accounts (Advanced Market-Making)*
[…]				
Volatility Index Derivatives				
Futures				
~~VDAX-NEW® Futures (FVDX)~~	~~EUR 0.75~~			
~~VSMI® Futures (FVSM)~~	~~CHF 1.20~~			
~~VSTOXX® Futures (FVSX)~~	~~EUR 0.50~~			
VSTOXX®- Mini Futures (FVS)	EUR 0.20			
[…]				

[…]

3.1.2 OTC Transactions

3.1.2.1 Fees for OTC Entries – Block Trades

Contract	Fee per Contract A-and P-Accounts	Fee per Contract M-Accounts (Regular Market-Making)*	Fee per Contract M-Accounts (Permanent Market-Making)*	Fee per Contract M-Accounts (Advanced Market-Making)*
[…]				
Volatility Index Derivatives				
Futures (Block Trades)				
~~VDAX-NEW® Futures (FVDX)~~	~~EUR 1.10~~			
~~VSMI® Futures (FVSM)~~	~~CHF 1.80~~			
~~VSTOXX® Futures (FVSX)~~	~~EUR 0.75~~			
VSTOXX® Mini Futures (FVS)	EUR 0.30			
[…]				

[…]

3.2 Position Closing Adjustments

Position Closing Adjustments, if these do not take place between 13:30 CET on the day of trade and before 13:30 CET of the following trading day:

Contract:	Fee per Contract:
[…]	
Volatility Index Products	
~~VDAX-NEW® Futures (FVDX)~~	~~EUR 1.50~~
~~VSMI® Futures (FVSM)~~	~~CHF 2.40~~
~~VSTOXX® Futures (FVSX)~~	~~EUR 1.00~~
VSTOXX® Mini Futures (FVS)	EUR 0.40
[…]	

[…]

3.3 Cash Settlement

Contract:	Fee per Contract:	Maximum Fee for Contracts on the same underlying of each A-, P- and M-accounts
[…]		
Volatility Index Products		
~~VDAX-NEW® Futures (FVDX)~~	~~EUR 0.75~~	
~~VSMI® Futures (FVSM)~~	~~CHF 1.20~~	
~~VSTOXX® Futures (FVSX)~~	~~EUR 0.50~~	
VSTOXX® Mini Futures (FVS)	EUR 0.20	
[…]		

[…]

****

CHANGES ARE MARKED AS FOLLOWS:

AMENDMENTS ARE UNDERLINED

DELETIONS ARE CROSSED OUT

****

[…]

9 Admitted Products

[…]

9.3 Eurex Clearing AG has admitted the following products to the Block Trade Facility even if they had been entered within the scope of options strategies or options volatility strategies:

Product	Minimum number of tradable contracts
[…]	
~~Futures Contracts on the VDAX-NEW®-Index (FVDX)~~	~~100~~
~~Futures Contracts on the VSMI® Index (FVSM)~~	~~100~~
~~Futures Contracts on the VSTOXX® Index (FVSM)~~	~~100~~
[…]	

[…]

Annex A to the General Conditions for Participation:
OTC Periods of Use (all times in CET)

Futures-Contracts

[…]
Volatility Index Futures Contracts

Product	Product-ID	Start-End
~~VDAX-NEW® Futures~~	~~FVDX~~	09:00-19:00
~~VSMI® Futures~~	~~FVSM~~	
~~VSTOXX® Futures~~	~~FVSX~~	
VSTOXX® Mini Futures	FVS	

[…]