



## eurex circular 224/09

**Date:** Frankfurt, November 27, 2009

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

### ING: Capital Increase

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**Content may be most important for:**

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

**Attachments:**

none

**Summary:**

On November 27, 2009, the company ING announced a capital increase with subscription rights for the shareholders of ING at a subscription ratio of 7:6 and a subscription price of EUR 4.24. Subscription period will start on November 30, 2009.

As a consequence of the capital increase, an adjustment to the Eurex options on shares of ING (INN) and the Eurex stock futures contract on ING (INNF) will become necessary.

Ex date will be **November 30, 2009**.

This circular contains a description of the adjustment procedure.



## **ING: Capital Increase**

**Measure:**

Capital increase with subscription rights for shareholders of ING

**Subscription Ratio:** 7:6

i.e. seven old shares of ING entitle to subscribe to six new shares of ING

**Subscription Price:**

EUR 4.24

**Last cum trading day:**

November 27, 2009

**Ex date:**

November 30, 2009

**Start of Subscription Period:**

November 30, 2009

**Affected Products:**

INN/INNF

**Reference to underlying Rules & Regulations:**

Contract Specifications for Futures Contracts and Options Contracts at Eurex Deutschland and Eurex Zürich, Sections 1.6.7 (3) and 2.6.10.1 (3)

The updated Contract Specifications will be available on the Eurex website as of the ex date under the path:

**[www.eurexchange.com](http://www.eurexchange.com) > Documents > Rules and Regulations**

**ISIN:**

The ISIN of the ING share (NL0000303600) will remain unchanged.

## **Procedure**

### **Determination of Adjustment Factor (R-Factor)**

The official closing auction price of the ING share at the NYSE Euronext in Amsterdam on November 27, 2009 will be the basis for determination of the R-factor.

The R-factor will be determined with eight decimal places. It is calculated in the following way:

$$R = ((\text{number of existing shares} / \text{number of new shares}) * (1 - (\text{issue price of new shares} / \text{closing auction price}))) + (\text{issue price of new shares} / \text{closing auction price})$$

$$R = ((7 / 13) * (1 - (4.24 / \text{closing auction price}))) + (4.24 / \text{closing auction price})$$

## **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 divided by the R-factor.

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

The 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.

New series with standard contract size 100 and version number 0 will be introduced effective the ex date.

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

The adjustment also refers to existing positions in OTC Flexible Options.

## 2. Exercises

Upon exercise of an adjusted series cash settlement will be made for the fractional part of the new contract size. For exercise of adjusted series as of version 2, differences may occur in the delivery process. In report RPTTA111 (All Active / All Inactive Series), the parts of the contract size are listed for which cash settlement will take place in case of exercise of an adjusted series.

## Futures

### 1. Adjustment of Contract Size and Variation Margin

The adjustment will be made with the same R-factor as for the options.

To adjust the calculation of the variation margin of the following day, 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.

The adjustment also refers to existing positions in OTC Flexible Futures.

### 2. Introduction of a new Contract

A new contract on ING will be introduced with standard contract size 100 and new product code INNG.

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 ING (INNF), trading in this contract will be set on "HALT" and discontinued.

signed: Thomas Lenz

signed: Manfred Weber

Frankfurt, November 27, 2009