X-pand into the Future

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Sender: 1. Eurex Deutschland and Eurex Zürich
2. Eurex Clearing AG
Recipients: All Trading Participants of Eurex Deutschland and Eurex Zürich, all Clearing Members of Eurex Clearing AG and Vendors
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Euro Fixed Income Futures: Exclusion of German Government Bonds with an original term of more than eleven years from the delivery baskets of Euro Bund, Bobl and Schatz Futures

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Content may be most important for:

➲ All departments

Attachments:

Updated sections of the following rules and regulations:

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

The Management Boards of the Eurex Exchanges and the Executive Board of Eurex Clearing AG decided to exclude German government bonds with an original term of more than eleven years from the basket of deliverable bonds of Euro Bund, Bobl and Schatz Futures. Thereby, old 30-year German government bonds which due to their residual term would have been included in the delivery baskets of Bund, Bobl and Schatz Futures will be excluded from these in the future effective **September 3, 2012**.

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AMENDMENTS ARE MARKED AS FOLLOWS:

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1. Part: Contract Specifications for Futures Contracts

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1.2 Subpart Contract Specifications for Fixed Income Futures Contracts

The following subpart contains contract specifications for futures contracts on notional debt securities of the Federal Republic of Germany with different terms (Euro Schatz Futures, Euro Bobl Futures, Euro Bund Futures und Euro Buxl® Futures), Futures contracts on notional debt securities of the Republic of Italy (Buoni del Tesoro Polienali) with different terms (Short-term Euro-BTP-Futures, Mid-term Euro-BTP-Futures, Euro-BTP-Futures) as well as Futures contracts on long term notional debt securities of the Republic of France (Euro OAT Futures; OAT: Obligations Assimilables du Trésor), which are hereafter referred to as "Euro Fixed Income Futures" and futures contracts on a long term national bond of the Swiss Confederation (CONF Futures).

1.2.1 Subject Matter of Contract

(1) A Euro Fixed Income Futures is a futures contract on a notional debt security of the Federal Republic of Germany

- ~~1.~~ with a term of 1.75 to 2.25 years and an original term of no longer than eleven years as well as ~~and~~ a coupon of 6% (Euro Schatz Futures),
- with a term of 4.5 to 5.5 years and an original term of no longer than eleven years as well as ~~and~~ a coupon of 6% (Euro Bobl Futures),
- ~~2.~~ with term of 8.5 to 10.5 years and an original term of no longer than eleven years as well as ~~and~~ a coupon of 6% (Euro Bund Futures),
- ~~3.~~ with a term of 24 to 35 years and a coupon of 4% (Euro Buxl® Futures)

or a futures contract on a notional debt security of the Republic of Italy

- ~~4.~~ with a term of 8.5 to 11 years and an original term of no longer than 16 years and a coupon of 6% (Euro BTP Futures),
- ~~5.~~ with a term of 4.5 to 6 years and an original term of no longer than 16 years and a coupon of 6% (Mid-term Euro BTP Futures),
- ~~6.~~ with a term of 2 to 3.25 years and a coupon of 6% (Short-term Euro BTP Futures)

or a futures contract on a notional debt security of the Republic of France

~~7.~~ with a term of 8.5 to 10.5 years and an original term of no longer than 17 years and a coupon of 6% (Euro OAT Futures).

The par value of any such contract is EUR 100,000.

(2) A CONF future is a futures contract on a national bond of the Swiss Confederation with a remaining term of 8 to 13 years and an interest rate of 6%. The par value of any such contract is CHF 100,000.

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

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Part 2
Clearing of Futures Contracts

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2.3 Subpart
Clearing of Fixed Income Futures contracts

The following provisions shall apply to the Clearing of Fixed Income Futures contract transactions specified in Number 1.2 of the Contract Specifications for Futures Contracts and Options Contracts at Eurex Deutschland and Eurex Zürich.

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2.3.4 Fulfilment, Delivery

(1) A delivery obligation arising out of a short position in a Euro-fixed income futures contract may only be performed by the debt securities determined by Eurex Clearing AG. For delivery, debt securities denominated in EUR with a fixed coupon of the Federal Republic of Germany (for Euro-Schatz-, Euro-Bobl-, Euro-Bund- and Euro-Buxl Futures contracts), of the Republic of Italy (Short term Euro-BTP-Futures contracts, Mid term Euro-BTP-Futures contracts and Euro-BTP-Futures contracts) and of the Republic of France (Euro-OAT-Futures contracts) can be chosen with a remaining uncallable term of:

- 1.75 up to 2.25 years and an original term of no longer than eleven years for Euro-treasure Futures contracts

- 4.5 up to 5.5 years and an original term of no longer than eleven years for Euro-Bobls Futures contracts
- 8.5 up to 10.5 years and an original term of no longer than eleven years for Euro-federal Futures contracts
- 24 up to 35 years for Euro-Buxl Futures contracts
- 2 up to 3.25 years for Short-term Euro-BTP-Futures contracts
- 4.5 up to 6 years and an original term of no longer than 16 years for Mid-term Euro-BTP-Futures contracts
- 8.5 up to 11 years and an original term of no longer than 16 years for Euro-BTP Futures contracts
- 8.5 up to 10.5 years and an original term of no longer than 17 years for Euro-OAT-Futures contracts.

The debt securities have to possess a minimum issuance volume of EUR 5 billion. Starting with the contract month of June 2012, debt securities of the Republic of Italy have to possess a minimum issuance volume of EUR 5 billion no later than 10 exchange days prior to the last trading day of the current due month (Number 1.2.4 of the Contract Specifications for Futures Contracts and Options Contracts at Eurex Deutschland and Eurex Zürich), otherwise, they shall not be deliverable until the delivery day of the current due month in Futures contracts on short-term, mid-term and long-term debt securities of the Republic of Italy.

A delivery obligation arising out of a short position in a CONF futures contract may only be performed by obligations determined by Eurex Clearing AG. Obligations of the Swiss Confederation denominated in Swiss Francs with a remaining term of at least eight years up to 13 years at most can be chosen. Concerning obligations with early redemption option, the first and last possible redemption date at the point of delivery of the contract must be between eight and 13 years. The obligations must possess a minimum issuance volume of CHF 500 millions.

(2) Two Business Days prior to the tenth calendar day of a quarter month (notification day), the Clearing Members with open short positions must indicate the type of bonds they will deliver to Eurex Clearing AG after transaction closing until the end of the post-trading full-period. Existing delivery notifications can be changed until closing of the post-trading full period. If a delivery notice is not made in time, Eurex Clearing AG determines the bonds to be delivered by the Clearing Member. The actual amount of notified debt securities have to be confirmed by Clearing Members vis-à-vis Eurex Clearing AG one day prior to the delivery day.

(3) After the end of the Post-Trading Period on the Notice Day, Eurex Clearing AG shall allocate to the Clearing Members with open long positions the bonds notified for delivery, using a selection procedure that ensures the neutrality of the allocation process. The Clearing Members will be informed on the next Business Day as to which bonds were allocated to them and at what tender.

(4) Paragraphs (1) to (3) shall apply to the legal relationship between Clearing Members and their relevant Non-Clearing Members; Paragraph (3) shall apply *mutatis mutandis* to the legal relationship between Clearing Members or Non-Clearing Members, as the case may be, and their respective customers.

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