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eurex clearing *circular 070/10*

Date: Frankfurt, October 4, 2010
Recipients: All Clearing Members of Eurex Clearing AG and Vendors
Authorized by: Thomas Book

Action required

CCP Release 6.0: Extension of Xetra® International Market: Introduction of Countries Austria, Denmark, Norway, Portugal and Sweden – Change of Clearing Conditions, Price List and Auction Terms for Eurex Clearing AG

Related Eurex Clearing Circulars: 021/10, 028/10, 034/10

Contact: Member Services & Admission, tel. +49-69-211-1 17 00

Content may be most important for:	**Attachments:**
➲ All departments	Updated sections of 1. Clearing Conditions for Eurex Clearing AG, effective November 22, 2010 2. Price List for Eurex Clearing AG, effective November 22, 2010 3. Auction Terms of Eurex Clearing AG, effective November 22, 2010

Summary:

By means of this circular, Eurex Clearing publishes the updated Clearing Conditions for Eurex Clearing AG and the transaction and service fees for transactions originating from Xetra® International Market at Frankfurter Wertpapierbörse (FWB®, the Frankfurt Stock Exchange) ("XIM transactions") for the countries Austria, Denmark, Norway, Portugal and Sweden.

The updated Clearing Conditions, Price List and Auction Terms will become effective on **November 22, 2010**.

Also the Buy-in User Guide and the Buy-in Tool Guide have been extended by the new markets. These documents describe the buy-in process as well as the cash settlement procedure for the new markets. They are available for download on the Eurex Clearing website.

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Aktiengesellschaft mit Sitz in Frankfurt/Main
HRB Nr. 44828
Amtsgericht Frankfurt/Main

CCP Release 6.0: Extension of Xetra® International Market: Introduction of Countries Austria, Denmark, Norway, Portugal and Sweden – Change of Clearing Conditions, Price List and Auction Terms for Eurex Clearing AG

Changes to the Clearing Conditions for Eurex Clearing AG for the new instruments with settlement in Austria, Denmark, Norway, Portugal and Sweden

The existing Xetra® International Market offering will be extended by blue chips from Austria, Denmark, Norway, Portugal and Sweden. Thus, clearing can be carried out for further securities with settlement in the respective home market.

Following the introduction of the new currencies Danish krone and Norwegian krone, also the floors and caps for fees in case of default have been extended by the two currencies.

The exact changes can be found in the respective sections of the Clearing Conditions attached to this circular. Changes are marked.

Changes to the Auction Terms of Eurex Clearing AG

The two new currencies Danish krone and Norwegian krone have also been incorporated in the Auction Terms of Eurex Clearing AG for determination of the minimum fees.

The exact changes can be found in the respective sections of the Auction Terms attached to this circular. Changes are marked.

Changes to the Buy-in User Guide and the Buy-in Tool Guide

Also the Buy-in User Guide and the Buy-in Tool Guide have been extended by the new markets. These documents describe the buy-in process as well as the cash settlement procedure for the new markets.

The documents have been published for download on the website of Eurex Clearing under the following path:

www.eurexclearing.com > Member Section > Releases > CCP 6.0 > Manuals > Functional Manuals

Fees of the Frankfurt Stock Exchange for transactions concluded in Xetra® International Market

As for the existing countries in Xetra® International Market, a value-based transaction fee of 0.0006 percent will be charged for Austria, Denmark, Norway, Portugal and Sweden; a fixed clearing fee will not apply.

Accordingly, the fees as summarized in below table will be charged for Xetra® International Market transactions for the countries Austria, Denmark, Norway, Portugal and Sweden:

Fee component	Price level	Fee report
General clearing fee (Price List for Eurex Clearing AG, section 6.4.1)	• Fixed fee per executed order: EUR 0.00 • Value-based: 0.0006 %	CB320 "Daily Clearing Fee Report"
Settlement fee (Price List for Eurex Clearing AG, section 6.4.2)	• Fixed fee per delivery carried out in the respective domestic CSD: Austria: EUR 4.40 Denmark: DKK 20.00 Norway: NOK 35.00 Portugal: EUR 3.20 Sweden: SEK 16.00	CB330 "Daily Settlement Fee Report"

All abovementioned fees will also be contained in the CB350 "Monthly Fee Report".

Furthermore, fees charged to Eurex Clearing AG by third parties in connection with the settlement of transactions can be invoiced according to their origin to the Clearing Member involved.

The exact changes can be found in the respective sections of the Price List in the attachment. Changes are marked.

If you have any questions or require additional information, please contact the Member Services & Admission team on tel. +49-69-211-1 17 00.

Frankfurt, October 4, 2010

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MODIFICATIONS ARE MARKED AS FOLLOWS:

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[…]

Chapter V
Transactions Concluded at the Frankfurter Wertpapierbörse

[…]

Part 2
Clearing of transactions concluded at the Frankfurter Wertpapierbörse (FWB)

[…]

2.2 Default

[…]

(6) The defaulting Clearing Member shall bear the costs arising from measures within the meaning of Paragraph 1, 2 and 3. Eurex Clearing AG shall for each auction in one securitiy category held pursuant to Paragraph 1 levy upon each defaulting Clearing Member a fee of 10 % of the value of the securities owed pursuant to Paragraph 1 Clause 1, but in any case not less than EUR 250.00 or USD 350.00 or CHF 375.00 respectively AUD 500.00 respectively CAD 400.00 respectively DKK 1,900.00 respectively GBP 225.00 respectively JPY 30,000.00 respectively NOK 2,000.00 respectively SEK 2,750.00 and at maximum EUR 5,000.00 respectively USD 7,000.00 respectively CHF 7,500.00 respectively AUD 10,000.00 respectively CAD 8,000.00 respectively DKK 37,300.00 respectively GBP 4,500.00 respectively JPY 600,000.00 respectively NOK 41,000.00 respectively SEK 55,000.00. For the conversion of the fees into the settlement currency, Number 12 Paragraph 4 of the Price List shall apply accordingly. The

assertion of damages according to Chapter I Number 7.1 Paragraph 4 Clause 1 is not excluded by the provisions of this Paragraph.

[…]

Part 3
Transactions regarding foreign Securities and Rights with Settlement on the Home Market ("XIM-Transactions")

3.1 General Provisions

[…]

3.1.3 Prerequisites of Clearing License

(1) Regarding the prerequisites to be fulfilled within the granting of the XIM Clearing License, Number 1.1.2 – with the exception of Paragraph 2 item b – shall apply.

(2) In order to be granted the XIM Clearing License, the applicant shall provide evidence that the settlement of the XIM Transactions in at least one of the concerned home markets Austria, Belgium, Denmark, Finland, France, Great Britain, Ireland, Italy, Netherlands, Norway, Portugal, Spain, Sweden and Switzerland is guaranteed.

(3) In order to be granted the XIM Clearing License, the granting of authorizations according to Chapter I Number 2.2 Paragraph 4 item h is not necessary.

[…]

3.2 Settlement of XIM Transactions

[…]

3.2.2.1 XIM Transactions with Settlement in Belgium, France, ~~or~~ Netherlands or Portugal

(1) If the securities from a XIM Transaction with settlement in Belgium, France, ~~or~~ Netherlands or Portugal to be delivered by the Clearing Member obligated to deliver are not delivered to Eurex Clearing AG at the latest on the 7th business day after the delivery day in the course of the last settlement run of the central depository ~~central custodian~~ determined by the Management Board of FWB within the meaning of § 169 f Paragraph 1 Exchange Rules of Frankfurter Wertpapierbörse (the "non-

fulfilled XIM Transaction"), Eurex Clearing AG shall arrange for deletion of the respective delivery instructions in the respective home market and repurchase the non-delivered securities by means of an auction. In turn, the Clearing Member obligated to deliver undertakes to arrange for deletion of the respective delivery instructions in the respective home market. As soon as Eurex Clearing AG has informed the Clearing Member obligated to deliver about the intended implementation of an auction, the Clearing Member is no longer authorized to deliver the concerned securities to Eurex Clearing AG.

[…]

(5) […]

The amount of the cash settlement to be paid by the defaulting Clearing Member to Eurex Clearing AG shall be determined by way of comparison of the settlement price defined by Eurex Clearing AG for the respective security class ~~plus a surcharge in the amount of 20 %~~as well as the highest sale price and the highest purchase price of the concerned XIM Transactions, plus a surcharge in the amount of 20 %.

[…]

(8) If the rights from a XIM Transaction with settlement in Belgium, France, ~~or~~ Netherlands or Portugal (e.g. subscription rights) or the rights resulting from securities to be delivered (e.g. partial rights and subscription rights) to be transferred by the Clearing Member obligated to deliver are not transferred in due time on the delivery day on instruction by Eurex Clearing AG, the latter shall execute measures pursuant to Number 2.2 Paragraph 2 after the last settlement run of the central custodian determined by the Management Board of FWB (§ 169 f Paragraph 1 Exchange Rules of the Frankfurter Wertpapierbörse) on the last day before expiry of the deadline existing for the rights.

[…]

(11) The costs occured with Eurex Clearing AG by its measures according to Number 3.2.2.1 shall be borne by the defaulting Clearing Member. For each auction carried out in a security class according to Paragraph 3, Eurex Clearing AG shall charge from the defaulting Clearing Member a fee of 10 % of the value of the owed securities, at least, however, EUR 250.00 and at maximum EUR 5,000.00. The assertion of damages according to Chapter I Number 7.1 Paragraph 4 Clause 1 is not excluded hereby.

[…]

3.2.2.2 XIM Transactions with Settlement in Denmark, Finland or Sweden

(1) If the Clearing Member obligated to deliver is in default regarding ~~in~~delivery of securities or the transfer of rights from a XIM Transaction with settlement in Denmark, Finland or Sweden Number 3.2.2.1 shall apply accordingly, unless provided otherwise in the following.

(2) In deviation to Number 3.2.2.1 Paragraph 3, the maximum price for XIM Transactions with settlement in Denmark, Finland or Sweden within this provision results from the settlement price defined by Eurex Clearing AG for the respective security class plus a surcharge of 50 %.

(3) In deviation to Number 3.2.2.1 Paragraph 5 ~~Clause 5~~, the amount of the cash settlement to be paid by the defaulting Clearing Member within this regulation shall be determined by comparison of the settlement price for the respective security class defined by Eurex Clearing AG ~~plus a surcharge in the amount of 50 %~~ as well as the highest sale price and the highest purchase price of the concerned XIM Transactions, plus a surcharge in the amount of 50 %.

[…]

3.2.2.6 XIM Transactions with Settlement in Austria

(1) If the Clearing Member obligated to deliver is in default regarding delivery of securities or the transfer of rights from a XIM Transaction with settlement in Austria, Number 3.2.2.1 shall apply accordingly, unless provided otherwise in the following.

(2) In deviation to Number 3.2.2.1 Paragraph 3, the auction takes place on the 3rd business day after the delivery day.

(3) In deviation to Number 3.2.2.1 Paragraph 5, Eurex Clearing AG may determine the cash settlement within the meaning of this provision from beginning of the 4th business day after the delivery day.

3.2.2.7 XIM Transactions with Settlement in Norway

(1) If the Clearing Member obligated to deliver is in default regarding delivery of securities or the transfer of rights from a XIM Transaction with settlement in Norway, Number 3.2.2.1 shall apply accordingly, unless provided otherwise in the following.

(2) In deviation to Number 3.2.2.1 Paragraph 3, the maximum price for XIM Transactions with settlement in Norway within this provision results from the settlement price defined by Eurex Clearing AG for the respective security class plus a surcharge of 50 %.

(3) In deviation to Number 3.2.2.1 Paragraph 3, the auction takes place on the 16th business day after the delivery day.

(4) In deviation to Number 3.2.2.1 Paragraph 5, the amount of the cash settlement to be paid by the defaulting Clearing Member within this regulation shall be determined by comparison of the settlement price for the respective security class defined by Eurex Clearing AG as well as the highest sale price and the highest purchase price of the concerned XIM Transactions plus a surcharge in the amount of 50 %.

(5) In deviation to Number 3.2.2.1 Paragraph 5, Eurex Clearing AG may determine the cash settlement within the meaning of this provision from beginning of the 17th business day after the delivery day.

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Preamble

[...]

6.4.2 Settlement Fees

In order to cover costs of ECAG within the settlement of a transaction by delivery/payment of claims set off on the same day with the respective central custodian of the respective home market, ECAG charges a fee.

If the maximum size of a delivery is exceeded and if, as a result, several deliveries are arranged for, the settlement fee shall be paid for each of these deliveries/payments.

Domestic Market	Fee per Delivery
Austria	EUR 4.40
Belgium	EUR 1.90
Denmark	DKK 20.00
Finland	EUR 3.30
France	EUR 1.90
Great Britain	GBP 0.89
Ireland	GBP 0.89
Italy	EUR 3.30
Netherlands	EUR 1.90
Norway	NOK 35.00

Portugal	EUR 3.20
Spain	EUR 4.50
Sweden	SEK 16.00
Switzerland	CHF 0.00

ECAG will charge additional fees charged by third parties to ECAG within the settlement of transactions to the clearing member who has caused them.

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[...]

3. Access to the auction platform

(1) [...]

(2) The authorisation~~authority~~ to access the Auction Platform is granted exclusively to Participants and their Users and must not be assigned. [...]

4. Duties of the Participants

The Participant agrees to contribute to a fair and orderly auction by means of suitable internal rules and regulations as well as by the section of reliable Users. The Participant is obliged to ensure that his user identification and password as well as the user identifications and passwords of the Users acting on his behalf are not made available to third persons. When~~In~~ taking part in an auction, the Participant guarantees Eurex Clearing AG, that he or a third person acting on his behalf disposes of the securities portfolio accounts and the cash accounts necessary to comply with his bid according to the Clearing Conditions. [...]

5. Execution of the auction

(1) The sole purpose for Eurex Clearing AG to execute an auction shall be the sale of securities by a Participant in the auction to Eurex Clearing AG. Objects of an auction are securities of the same category. Eurex Clearing AG is obliged to fix one of its business days as date for the auction's execution. For every auction, Eurex Clearing AG will fix a ceiling price for each category of securities and for each Central Securities Depository in charge of the settlement for the respective based upon the ~~latest~~ settlement price determined by Eurex Clearing AG plus a surcharge ~~premium~~ defined for each Central Securities Depository, such price determined in the following chart, up to which Eurex Clearing AG will be ready to accept sellers' bids ("ceiling price"). Participants may only submit bids to Eurex Clearing AG for the sale of securities without conditions and, for the duration of the bidding stage, without time limits.

Central Securities Depository in charge of the settlement	Abbr.	Ceiling Price in percent of the last determined settlement price
Clearstream Banking AG (Securities in Collective Safe Custody)	CBF	200
Clearstream Banking AG (Securities held on a fiduciary basis)	CBL	200
Euroclear Belgium	CIK	120
Euroclear Finland	APK	150
Euroclear France	SIC	120
Euroclear Nederland	NEC	120
Euroclear Sweden AB	VPC	150
Euroclear UK & Ireland Limited	EUI	200
Euroclear UK & Ireland Limited (Securities from Transactions on Irish Stock Exchange)	EUI-ISE	200
IBERCLEAR	IBC	120
Interbolsa S.A.	INT	120
Monte Titoli S.p.A.	MOT	120
Oesterreichische Kontrollbank AG (OeKB)	OEB	120
SIX SIS AG	SIS	200
The Depository Trust Company	DTC	200
Verdipapircentralen ASA (VPS)	VPS	150
VP Securities A/S (VP)	VPD	150

(2) Upon an electronic notice from Eurex Clearing AG to the e-mail address provided by a Participant, an auction shall be deemed opened. In order to ensure its validity, Eurex Clearing AG is obliged to include the following information in the notice:

- the ISIN of the securities,
- the number of securities,
- the ceiling price,
- the time of the auction's end,
- auction currency and
- Central Securities Depository in charge of the settlement.

(3) After the beginning of the auction the Participants may in the course of 30 minutes enter one or more bids into the entry fields of the Auction Platform provided ("Bidding Stage"). Bids shall be valid as soon as the Participant enters ~~the~~

- the price of the securities and
- the number of securities

into the entry fields without exceeding the ceiling price. […]

(4) A bid is binding for the Participant. […] Eurex Clearing AG may choose to accept only part of a bid in regard of the number of securities offered. If two or more bids exist in the auction for the lowest price offered, Eurex Clearing AG will select the bid submitted earliest.

(5) Eurex Clearing AG accepts a bid ("Knockdown") by sending an e-mail to the Participant to the e-mail address forwarded to Eurex Clearing AG by the Participant. To be legally valid, this notice to the Participant regarding the acceptance of his bid has to contain at least

- the ISIN,
- the price and
- the number of the securities due.

[…]

6. Performance of auction transactions and default

(1) […]

Central Securities Depository in charge of the settlement	Abbr.	Delivery Term
Clearstream Banking AG (Securities held in Collective Safe Custody)	CBF	10:00 CET
Clearstream Banking AG (Securities held on a fiduciary basis)	CBL	10:00 CET
Euroclear Belgium	CIK	11:00 CET
Euroclear Finland	APK	11:00 CET
Euroclear France	SIC	11:00 CET
Euroclear Nederland	NEC	11:00 CET
Euroclear Sweden AB	VPC	11:00 CET
Euroclear UK & Ireland Limited	EUI	11:30 CET
Euroclear UK & Ireland Limited (Securities from transactions on Irish Stock Exchange)	EUI-ISE	11:30 CET
IBERCLEAR	IBC	11:00 CET

Central Securities Depository in charge of the settlement	Abbr.	Delivery Term
Interbolsa S.A.	INT	11:00 CET
Monte Titoli S.p.A.	MOT	10:00 CET, 11:00 CET with special announcement
Oesterreichische Kontrollbank AG (OeKB)	OEB	11:00 CET
SIX SIS AG	SIS	10:00 CET
The Depository Trust Company	DTC	18:00 CET
Verdipapircentralen ASA (VPS)	VPS	11:00 CET
VP Securities A/S (VP)	VPD	11:00 CET

(2) If a Participant fails to assign the securities due from an auction transaction within the performance period agreed upon, he shall be in default without advanced warning. Upon the beginning of default, Eurex Clearing AG is entitled to refuse the assignment of the securities due without providing a reason. Eurex Clearing AG is entitled to receive payment from the defaulting Participant in the amount of 0.04 % of the stock market price or market value of the securities due at the moment of the default's beginning, however, no less than EUR 1,000.00 respectively AUD 2,000.00 respectively CAD 1,600.00 respectively CHF 1,500.00 respectively DKK 7,500.00 respectively GBP 900.00 respectively JPY 120,000.00 respectively NOK 8,200.00 respectively SEK 11,000.00 respectively USD 1,400.00

[…]

8. Termination of the participation authorization

(1) Both Eurex Clearing AG and the Participant may terminate this contract to the end of each month giving one month's notice. The right of termination without notice for an important reason shall not be affected by sentence 1 above. For Eurex Clearing AG, the following circumstances shall mean an important reason:

- the Participant has failed to assign the securities assignable after acceptance of his bid in due time;
- Eurex Clearing AG has the well-founded suspicion that the Participant has suffered a deterioration in his financial situation;
- the Participant has hindered the orderly procedure of an auction or he has repeatedly violated other significant provisions of these Auction Terms;
- another important reason exists.

(2) […]

(3) The termination requires the written form. For an important reason, the termination may be given orally, over the telephone, as fax message, via e-mail, via SWIFT or in another suitable manner.

(4) […]

9. Liability

The Participant's claims for damages and for reimbursement of expenses, irrespective of their legal basis, shall be excluded; this shall apply especially for claims resulting fromform violation of contractual obligations or for claims based on tort. […]

10. Final provisions

(1) These Auction Terms –are subject solely to the laws of the Federal Republic of Germany. The exclusive legal venue for all disputes related to these Auction Terms shall be Frankfurt am Main.

(2) The German version shall be decisive for these Auction Terms interpretation. The English version is for information purposes only. In case of deviations between the German and the English version, only the German version shall apply.

(3) Should individual provisions of these Auction Terms be or become invalid or non-enforceable, this shall not affect the other provision's validity. In lieu of the invalid contractual provisions, the legal provisions shall apply or, in absence of such provision, that provision shall apply which the parties bona fide would have lawfully concluded had they noticed the invalidity or voidness. The same procedure shall apply if a gap in the contract's provisions is observed.

(4) Eurex Clearing AG may alter the Auction Terms at any time paying proper regard to the Participant's interests. The Participant will be notified of alterations of the Auction Terms 10 business days prior to the alteration's coming into force. The alterations shall be deemed to be approved, unless the Participant files a written objection within 10 business days after such alteration was announced to him.