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eurex clearing *circular 034/11*

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CCP: Announcement of CCP Release 7.0

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Content may be most important for:	**Attachment:**
➲ All departments	CCP Release 7.0 Communication Calendar

Summary:

With this circular Eurex Clearing announces the introduction of CCP Release 7.0 on **November 21, 2011.**

CCP Release 7.0 contains enhancements and new services for CCP participants with regard to the introduction of NCSC (non-collective safe custody) equities and bonds traded on Xetra® for CCP services, support of the Common Report Engine facility, extension of the Member Settlement Instruction File (MSIF), adjustments in connection with the Eurex Repo GC Pooling® trading hour extension and introduction of CCP services for the Securities Lending market by Eurex Clearing.

The CCP simulation environment will be available for testing between October 4, 2011 and November 11, 2011.

CCP Release 7.0 is mandatory for all CCP Members.

Kindly forward this announcement to all involved departments in your company.

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

CCP: Announcement of CCP Release 7.0

Eurex Clearing will introduce CCP Release 7.0 on November 21, 2011.

Main features will be the introduction of NCSC (non-collective safe custody) equities and bonds traded on Xetra® for CCP services, support of the Common Report Engine facility, extension of the Member Settlement Instruction File (MSIF), adjustments in connection with the extension of Eurex Repo GC Pooling® trading hours for the standard term "Overnight" and introduction of CCP services for the new initiative for Securities Lending market by Eurex Clearing.

The CCP simulation environment will be available for testing between October 4, 2011 and November 11, 2011.

Shift of settlement instructions and intraday reporting timelines in connection with the Eurex Repo Euro GC Pooling® Trading Hour Extension

With the introduction of new CCP release, preparations will be made for the extension of trading hours for the standard term "Overnight" for Eurex Repo Euro GC Pooling® products. Current market closing time will be extended from 16:00 CET to 17:15 CET. The end-of-settlement times via RTS-versus-payment are expected to be shifted to approximately 17:45 CET for Euro GC Pooling® transactions.

In this context, intraday reporting for all markets and asset classes will be adjusted in the way that provision of the current intraday set of reports at 18:00 CET will be shifted to 18:35 CET. Settlement instructions for the Eurex Repo Euro Market transactions and Eurex Bonds transactions sent to Clearstream Banking and Euroclear for settlement in the overnight batches will also be postponed by 30 minutes compared to the current processing. Therefore, trade processing of euro-denominated bonds in CCP as well as processing of those trades on the Members' sites have to be adapted accordingly.

Whilst the preparations mentioned above will be implemented with the introduction of CCP Release 7.0, the actual start of the extended Eurex Repo GC Pooling® trading hours will be announced separately and will not automatically be implemented with the launch of CCP Release 7.0.

Securities Lending

With CCP Release 7.0 Eurex Clearing is planning to introduce a CCP solution for the bilateral securities lending and borrowing market. Introduction of a CCP minimises the counterparty risk and the credit exposures of the individual market participants and at the same time achieves a considerable reduction in systemic risk for the overall market place. Eurex Clearing's service aims to preserve the key features of the current bilateral market for both lending and borrowing counterparties. In addition automated post-trade services that are characteristic for the securities lending business will be provided. CCP participants wishing to use the new Eurex Clearing offering will need to obtain a new clearing license and supply the respective setup forms for this service.

Support of the Common Report Engine facility

CCP-related reports will also be distributed via the Common Report Engine facility with CCP Release 7.0. The Common Report Engine will be introduced with Eurex Release 13.1. This service will be based on a secure FTP (report) server and will provide Members with the ability to easily retrieve all of their selected reports from a single source. It will be provided independently from the existing MISS infrastructure and the existing SNA/SWIFT distribution channels. Re-use of the current network connections where an FTP channel is already defined, will be possible.

Introduction of NCSC (non-collective safe custody) equities and bonds traded on Xetra®

Eurex Clearing is planning to enhance the CCP service to include processing of NCSC equities and fixed income products (collective safe custody (CSC) and NCSC) from Xetra® and Xetra® Frankfurt 2. In a first step, liquid NCSC equities and fixed income products will be made CCP-eligible for Xetra® and Xetra® Frankfurt 2.

All instruments are planned to be traded in euro and settled in CBF (CSC) or CBF Foreign Account (NCSC).

Extension of the Member Settlement Instruction File (MSIF)

In order to enhance the functionality of the current Member Settlement Instruction File, Eurex Clearing decided to introduce new features in parallel to the existing Gross Delivery Management functionality available through VALUES. As this includes instructions for buy and sell trades, additionally technical SWIFT message format MT541 (Receive against Payment) will be made available in MSIF format.

In its extended form, the following additional actions will be possible:

- Set sell/buy trade to gross processing
- Set sell/buy trade to net processing
- Manually link a sell trade to a buy trade
- Remove a manual link from a sell trade
- Set a reference for automatic linking (buy trade and sell trade)
- Remove an automatic linking reference (buy trade and sell trade)

For further details please refer to the “Member File Based & SWIFT Interface” which will be published on May 16, 2011.

SWIFT release 2011 updates

Due to announced updates in SWIFT release 2011, Eurex Clearing will verify the impact resulting from the release on the SWIFT messages used by the CCP system. Should the changes affect the CCP system, Eurex Clearing will announce it in due time.

Technical changes

CCP Release 7.0 is mandatory for all Members.

No new front-end software kit will be distributed. The latest version of the CCP front-end software (CCP Release 6.0) must be installed by all Members. The current front-end software supports Windows 2003 and Microsoft Windows Server 2008 R2 (64 bit) as MISS platforms and Windows XP and Microsoft Windows 7 (64 bit) as workstation platforms. Solaris 10 will be supported as MISS and workstation platform.

Simulation

The CCP Release 7.0 simulation environment will be offered for Members’ tests starting October 4, 2011 until November 11, 2011. Further information about the simulation will be distributed at a later time.

Documentation

The attached Communication Calendar offers an overview of the planned publications with regard to CCP Release 7.0. Initial publication of Member documentation is scheduled for May 16, 2011 and includes the preliminary versions of the Release Notes, Reports Descriptions, Member File Based interface as well the Customer Roadmap.

Additional documentation about the services and information concerning simulation will be distributed at a later point in time.

If you have any questions or require additional information, please contact the Member Services & Admission team at tel. +49-69-2 11-1 17 00.

April 11, 2011

Introduction of CCP Release 7.0

Communication Calendar

	Year	2011					
	Month	Apr	May	Aug	Sep	Oct	Nov
	Day	11	16	15	05	17	21
Member Communication Calendar	11.04.11	X					
Release Notes - Preliminary Version	16.05.11		X				
Customer Roadmap	16.05.11		X				
Member File Based & SWIFT Interface	16.05.11		X				
Description of Report Raw Data	16.05.11		X				
Development Guide Field Values Overview	16.05.11		X				
Common Report Engine User Guide	16.05.11		X				
Release Notes - Final Version	15.08.11			X			
Description Reports Layout	15.08.11			X			
Member File Based & SWIFT Interface - Update	15.08.11			X			
Description of Report Raw Data - Update	15.08.11			X			
Development Guide Field Values Overview - Update	15.08.11			X			
Member Simulation Guide	05.09.11				X		
Forms (Setups)	05.09.11				X		
Buy-In User Guide	17.10.11					X	
Buy-In Tool Guide	17.10.11					X	
User Guide CCP	17.10.11					X	
Preisverzeichnis / Price List	17.10.11					X	
Clearing Conditions	17.10.11					X	
Production Launch	**21.11.11**						X