clear to trade

e u r e x c l e a r i n g *circular 012/09*

Date: Frankfurt, March 3, 2009
Recipients: All Clearing Members of Eurex Clearing AG and Vendors
Authorized by: Thomas Book

⚠ **Action required** ⚠ **High priority**

Integration of Clearstream Banking Frankfurt in the STP Process of the Collateral Engine: Further Information on the Migration

Related Eurex Clearing Circulars: 257/08, 005/09

Contact: Functional Helpdesk Clearing, tel. +49-69-211-1 12 50

Content may be most important for:	**Attachments:**
Ü Middle + Backoffice Ü IT/System Administration Ü Auditing/Security Coordination	None

Summary:

With Eurex Clearing circulars 257/08 and 005/09 we already announced integration of Clearstream Banking Frankfurt (CBF) in the Straight-through-Process (STP) of the Collateral Engine.

Migration will take place in two steps:

a) effective **March 30, 2009** all CASCADE accounts will be included in the STP process
b) effective **April 6, 2009** CREATION accounts will be migrated

This migration does not concern SIX SIS AG and XEMAC participants. The present processes for booking and withdrawal of collateral will remain unchanged.

This circular provides further details.

Eurex Clearing AG
Neue Börsenstraße 1
60487 Frankfurt/Main
Mailing address:
60485 Frankfurt/Main
Germany

T +49-69-211-1 17 00
F +49-69-211-1 17 01
customer.support@eurexchange.com
Internet:
www.eurexclearing.com

Chairman of the Supervisory Board:
Prof. Dr. Peter Gomez

Executive Board:
Andreas Preuß (CEO),
Jürg Spillmann, Thomas Book,
Gary Katz, Thomas Lenz,
Michael Peters, Peter Reitz

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

Integration of Clearstream Banking Frankfurt in the STP Process of the Collateral Engine: Further Information on the Migration

With Eurex Clearing circulars 257/08 and 005/09 we already announced integration of Clearstream Banking Frankfurt (CBF) in the Straight-through-Process (STP) of the Collateral Engine. This circular provides further details.

Migration will take place in two steps:

a) effective March 30, 2009 all CASCADE accounts will be included in the STP process
b) effective April 6, 2009 CREATION accounts will be migrated

This migration does not concern SIX SIS AG and XEMAC participants. For these, the present processes for booking and withdrawal of collateral will remain unchanged.

In preparation for this migration, relevant account information will be entered in the system mid-March 2009, i.e. according to intended use (margin, clearing fund or company capital) for:

a) CASCADE accounts:	XXXX/05XX	CBF/GS + principal account
b) CREATION accounts:	6XXXX	CBF/WR + principal account

On the date of migration, March 30, 2009, collateral in the Collateral Engine under CSD Clearstream Banking Frankfurt (CBF) will be distributed amongst or migrated to above accounts. This migration will not go along with a re-evaluation of collateral.

Report RPTCD080 (Monthly Collateral Movement) generated for end of March 2009 contains only securities transactions on collateral accounts of the period between March 30, 2009 and March 31, 2009. Transactions between March 1 and March 27, 2009 are contained in the daily transactions report RPTCD020 (Collateral Movement/Coverage).

In consequence of above migration the following characteristics and requirements will apply for bookings and withdrawals effective March 27 and 30, 2009:

- No collateral bookings should be made by means of standard processing (STD) via CASCADE with value date March 30, 2009. Should a booking be required, nonetheless, fax notification to Clearing Supervision (+49-69-211-1 43 34) must be made.
- For bookings and withdrawals of March 27, 2009 already made, a subsequent booking in the Eurex® system will be made again on March 30, 2009 (concerns all CBF participants).
- Withdrawal instructions of March 27, 2009 with value date March 30, 2009 will be processed directly on March 30, 2009 (concerns CASCADE/CREATION participants).

In the week of March 30, 2009 through April 3, 2009, collateral releases will have to be ordered by fax, as before. Thereby, the following procedure will apply for the different depositories:

- **CASCADE**

  As a general rule, fax orders for withdrawal or securities exchange will be processed/released and booked on the same day, unless there are any opposing margin requirements.

  Bookings will be made near-real time in the Collateral Engine.

- **CREATION**

  As a general rule, fax orders for withdrawal or securities exchange will be processed/released and booked on the same day, unless there are any opposing margin requirements.

  Bookings will be recorded in the Eurex® system as of 19:00 CET.

As of April 6, 2009, all withdrawal orders will have to be entered via the Clearing GUI. Delivery orders coming in by fax will no longer be accepted.

When entering collateral releases in the system, four-eyes principle should be observed. For this purpose, the Clearing Participant's security coordinator should grant the respective privilege to authorized users for the Clearing GUI windows **Security Collateral Transaction Entry** (entry of withdrawal order) and **Collateral Transaction Overview** (order confirmation), which means, he/she must change RAL 113 (Security Movement Inquiry) to the value of "2". Should any more users be required in addition to the already existing ones at Eurex, they will have to be applied for by the Member and the corresponding RALs (Ressource Access Levels) will have to be assigned. Setting up of these users will have to be applied for by means of the form "Application for the Setting up/Modification/Deletion of User ID's in the Eurex® System.

In order to guarantee same day delivery of securities, release orders must have been entered in the Eurex® system by 17:30 CET. Orders entered at a later point in time, will be released on the following day.

Due to this implementation, both securities releases and bookings will be processed near-real time, so that as of this point in time it will no longer be necessary to initiate per fax an intraday exchange of "security versus security".

Just an exchange of "money versus security" will have to be ordered by fax, as before.

Matching Obligation for Italian Bonds

In case of Italian bonds collateral, the following characteristics will have to be observed for bookings and withdrawals via the CREATION platform, since there exists matching obligation:

Bookings:

Besides entry of the "5F" instruction (delivery with matching) in CREATION it continues to be necessary to notify the booking per fax (fax no. +49-69-211-1 43 34) to Clearing Supervision in order to have the respective matching instruction entered. The appropriate forms for this notification can be downloaded from the Eurex website under the path:

www.eurexclearing > Documents > Forms > Eurex Derivatives > Single Forms > Collaterals

Withdrawals:

Together with the order for security release via the Eurex® system the client must enter a matching instruction ("4F") in the CREATION system.

Frankfurt, March 3, 2009