X-pand into the Future

e u r e x *circular 005/04*

Date: Frankfurt, January 19, 2004
Recipients: All Eurex members and vendors
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OTC Trade Input Ratification Time

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Content may be most important for:	**Attachment:**
➲ Front Office / Trading ➲ Middle + Back Office	Extract from the Conditions for the Utilization of the OTC Trade Entry Facilities

With effect from January 30, 2004 the time between the immediate entry of an OTC trade into the Eurex Clearing System by the member initiating the transaction and approval of the respective OTC trade by the counterparty will be limited to 30 minutes (ratification time). This change is valid for all OTC facilities and the corresponding admitted products.

The immediate entry of concluded OTC trades and the limitation of the ratification time to 30 minutes is intended to ensure efficient communication of OTC trades to all market participants.

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

Eurex Clearing AG

Conditions for Utilization of the OTC Trade Entry Facilities (General Conditions for Participation)

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3 Clearing of OTC Trades

3.1 Provided that the prerequisites of these General Conditions for Participation have been fulfilled Participants may, to the extent that they or their customers have agreed on one of the OTC Trades defined above, utilize the OTC Trade Entry Facilities of Eurex Clearing AG for the processing, collateralisation and settlement ("Clearing") of the futures or options contracts contained in such OTC Trades.

3.2 With the entry of an OTC Trade into the Eurex Clearing System using one of the OTC Trade Entry Facilities defined above, the provisions of the Clearing Conditions for Eurex Clearing AG (hereinafter "Eurex Clearing Conditions") in their then valid version concerning the conclusion of transactions shall apply to the contractual relationships between Eurex Clearing AG and the Participants in an OTC Trade, or their clearing institutions, as the case may be. Consequently, in the case of each OTC Trade, Eurex Clearing AG shall be the contractual counterparty of the relevant Participants or their clearing institutions, as the case may be.

3.3 Furthermore, the Eurex Clearing Conditions in their then valid version shall apply accordingly for the clearing of any futures and options contracts entered using one of the OTC Trade Entry Facilities.

3.4 Each OTC trade has to be entered into the Eurex Clearing System immediately after conclusion. A period of up to 30 minutes (period of ratification) is available between the entry of an OTC Trade into the Eurex Clearing System made by the Participant initializing the transaction and the acceptance of such OTC Trade by a Participant.

3.5 OTC Trades entered into the Eurex Clearing System may be transferred via the system to another Participant which has acknowledged these Conditions, by means of the give-up facility within the meaning of subsection 4.5 paragraph (7) of the Eurex Trading Conditions to the extent that the transfer of the transaction was notified to the other Participant and this Participant has confirmed the acceptance of the transaction; subsection 1.2.2 paragraph (3) of the Eurex Clearing Conditions shall apply accordingly.

3.6 If OTC Trades do not correspond to the specifications and requirements defined in these General Conditions for Participation, or if Participants do not comply with the general conditions for utilization pursuant to section 6 of these General Conditions for Participation, Eurex Clearing AG can refuse to clear such OTC Trades.

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