X-pand into the Future

e u r e x *circular 029/03*

Date: Frankfurt, March 19, 2003
Recipients: All Eurex members and vendors
Authorized by: Daniel Gisler

High Priority

Deposit and Release of Collateral

Related Eurex Circulars: 117/02, 013/03

Contact: Functional Help-desk Clearing: Tel. +4-69-21 01-12 50

Content may be most important for:	**Attachments:**
➲ Middle + Back Office ➲ Auditing / Security Coordination	Form for Collateral Deposit / Release

Summary:

This Circular provides information on the current processes for deposit and release of securities and cash.

A new Eurex Clearing AG/ EEX AG form has been designed to support these new processes, and should be used in all cases in future. The previous “Collateral Release” form is now no longer valid for use in these operations.

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Management Board:
Rudolf Ferscha, Daniel Gisler
Peter Reitz, Jürg Spillmann
Michael Widmer, Thomas Lenz (Deputy)

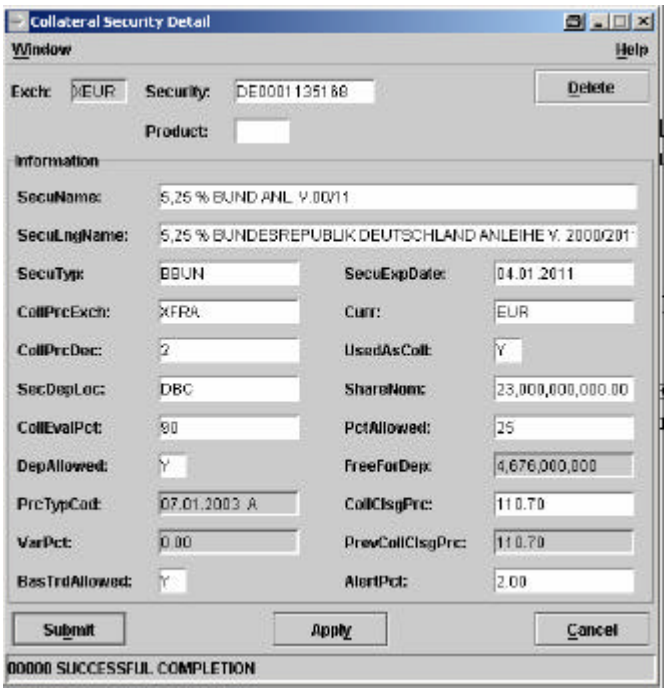
Deposit and Release of Collateral

In Circular 013/03 we informed you of the interest payment on cash deposits at Eurex Clearing. This Circular provides information on the current processes for deposit and release of collateral held as securities and cash.

1. Securities

When you wish to deposit securities to add to your collateral please check that that the security is already defined in the Eurex system as acceptable collateral.

The Clearing GUI window "COLLATERAL SECURITY DETAIL" is available for this purpose. The field "**FreeForDep**" shows what quantity can still be deposited in the chosen security.



If you wish to deposit a security which is not set up in the Eurex system, please contact the Eurex Clearing Help-desk by telephone to clarify the criteria for deposit (ECB/Lombard-eligible and/or acceptable quantity). If you wish to deposit the security after this clarification, please advise us of the security by fax (see Attachment) at the number +49 (0)69 2101 4334.
If the confirmation of the new security or quantity to be delivered is not received successfully by Eurex Clearing, it cannot be guaranteed that the deposit will be taken into account.

Requests for release of securities held as collateral must reach Eurex Clearing by fax at least one Eurex business day before the required value date. As a result of the request, Eurex Clearing will undertake the immediate removal of the securities from the Eurex system, i.e. in the next batch run the requested securities will no longer be taken into account against possible margin requirements. However, final clearance of the securities via Clearstream Banking Frankfurt/Luxembourg, and/or SIS SegaInterSettle will only take place after ensuring that sufficient collateral is still held after the daily Eurex cash accounting on the following Eurex business day.

2. Cash

From the beginning of March, 2003, cash collateral deposited with the Deutsche Bundesbank / Swiss National Bank (EUR/CHF) has the potential to earn interest. The process of deposit/withdrawal has been automated such that a shortfall in margin will be automatically made up by a deposit of the amount required, and excess

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margin will automatically lead to a payment of the amount which is no longer required. The basis for the payment of interest is always the ending balance in the report RPTCD010 “Daily Cash Account Statement”.

If you wish to deposit cash outside the automatic procedure described above, please advise or request the deposit by fax. Following the advice, the cash amount will be debited from your usual central bank account, as declared to Eurex Clearing, and will be immediately credited to your internal collateral account. The use of a different central bank account is not permitted. The deposited cash amount will not be shown in the report RPTCD010 but in RPTCD031 “Daily Securities Valuation” under a separate ISIN for the accepted currencies. In addition to the report, this cash collateral can be also found in the “SECURITY DEPOSIT OVERVIEW” Clearing GUI window.

Same-day interest will only be paid when the cash amount advised can be debited from the central bank account before 09:30 CET. Otherwise, the interest period for that amount will not begin until the following day. Cash withdrawal requests, as for the withdrawal of securities, need one day’s notice, i.e. the request must be with Eurex Clearing one EUREX business day before the value date. In connection with the conclusion of the daily Eurex cash accounting the corresponding credit will be made to the Member’s Bundesbank / National Bank account on the following morning.

For support of all these procedures you will find attached a new form. Please use this form only from now onwards. The previous “Collateral Release” form is now no longer valid.

Frankfurt, March 19, 2003

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Attachment to Eurex Circular 029/03

Eurex Clearing AG/EEX AG

FAX +49-69-21 01-43 34

Collateral Deposit / Collateral Release

From:

Telephone:						Fax
Member ID						Member Name

EXCHANGE ☐ ☐

Collateral for:

MARGIN ☐ **CLEARING FUND** ☐ **COMPANY CAPITAL** ☐

Deposit ☐ Release ☐ Value Date ____I_____I____ in 1.SDS ☐ in STD ☐

Stocks/ Bonds/ ETFs

From CBF/CBL/SIS Account	From Sub-account	To CBF/CBL/SIS Account	To Sub-account

ISIN Nr.	Quantity / Nominal Amount	Stock/Bond/ETF Name

Cash

Debit /Credit to SNB/Bundesbank Account

Currency	Amount	In words:
EUR ☐ **CHF** ☐		

Date	Company Stamp	Authorized Signatures

Internal processing EUREX Clearing AG: Authorized

Signature 1 / Signature 2