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eurex clearing *circular 091/11*

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Recipients: All Clearing Members of Eurex Clearing AG and Vendors
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Eurex/EEX Cooperation: Introduction of French Financial Power Derivatives

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Content may be most important for:	**Attachment:**
➲ All departments	Updated sections of the Clearing Conditions for Eurex Clearing AG as of December 7, 2011

Summary:

The European Energy Exchange AG (EEX) and Eurex Frankfurt AG will extend the product range within their existing cooperation.

On **November 24, 2011**, EEX Power Derivatives GmbH will launch the new French Financial Power products with monthly, quarterly and yearly expiration cycles.

Besides the already existing French Financial Week Futures, all cooperation members will be able to trade those additional products under the given agreement.

Eurex Members that are already admitted to the Phelix Power Futures will be able to trade the French Financial Power Futures within their existing cooperation admission as of **December 7, 2011**.

Eurex/EEX Cooperation: Introduction of French Financial Power Derivatives

As of November, 24 2011, the new French Financial Month, Quarter and Year Futures will be tradable in the Eurex production environment. Eurex Members that are already admitted to the Phelix Power Futures will be able to trade the French Financial Power Futures within their existing cooperation admission as of December 7, 2011. In the simulation environment, the products have already been tradable since November 8, 2011.

Due to the additional attractiveness for financial institutes, financial settlement of French Power Futures is likely to generate higher liquidity. No additional balance area agreement will be necessary in order to trade these contracts. The new French Power products, which replace the physical futures, will be available in the Eurex® trading system under the following product codes:

French Financial Power Futures							
Product Code	**Product**	**Delivery Period**	**Type**	**Class**	**Ex-change**	**ISIN**	**WKN**
F7B1	French Base Week	Week	Future	Power	EEX	DE000A1EZKJ5	A1EZKJ
F7B2	French Base Week	Week	Future	Power	EEX	DE000A1EZKK3	A1EZKK
F7B3	French Base Week	Week	Future	Power	EEX	DE000A1EZKL1	A1EZKL
F7B4	French Base Week	Week	Future	Power	EEX	DE000A1EZKM9	A1EZKM
F7B5	French Base Week	Week	Future	Power	EEX	DE000A1EZKN7	A1EZKN
F7BM	French Base	Month	Future	Power	EEX	DE000A1L19A5	A1L19A
F7BQ	French Base	Quarter	Future	Power	EEX	DE000A1L19B3	A1L19B
F7BY	French Base	Year	Future	Power	EEX	DE000A1L19C1	A1L19C
F7P1	French Peak Week	Week	Future	Power	EEX	DE000A1EZKP2	A1EZKP
F7P2	French Peak Week	Week	Future	Power	EEX	DE000A1EZKQ0	A1EZKQ
F7P3	French Peak Week	Week	Future	Power	EEX	DE000A1EZKR8	A1EZKR
F7P4	French Peak Week	Week	Future	Power	EEX	DE000A1EZKS6	A1EZKS
F7PM	French Peak	Month	Future	Power	EEX	DE000A1L19D9	A1L19D
F7PQ	French Peak	Quarter	Future	Power	EEX	DE000A1L19E7	A1L19E
F7PY	French Peak	Year	Future	Power	EEX	DE000A1L19F4	A1L19F

The **final settlement prices** for cash-settled French Financial Power Futures refer to the average EPEX Spot auction prices of the French market area.

French Base Power Futures reflect **delivery** from Monday to Sunday, 24 hours a day, whereas French Peak Power Futures specify delivery days from Monday to Friday from 08:00 to 20:00 CET.

The following **contract cycles** will be available: the current month, the consecutive six months, seven quarters and six years.

The futures are tradable during the regular **trading hours** from 08:00 to 18:00 CET on-exchange or OTC-cleared.

Settlement prices necessary for the daily calculation of the **variation margin** will be established by the exchange and published via the clearing system of Eurex Clearing at approx. 18:45 CET. Thus, settlement of French Financial Power Futures corresponds to the processing of Phelix Futures.

French Financial Power Futures **cascade** according to the existing standards as described in the Contract Specifications. Open positions in French Financial Year Futures cascade into 3-monthly futures with delivery as of January, February and March and additional three French Financial Power Quarter Futures from the second to the fourth quarter of the delivery period at the third exchange day before the start of the delivery period. Each open position in French Financial Power Quarter Futures will be replaced by three French Financial Month Futures of the underlying delivery period and three exchange days before delivery.

Contract fulfilment takes place by cash settlement at the final settlement price on the first business day of Eurex Clearing after the last trading day. If the final settlement price is calculated on a public holiday or at the weekend, cash settlement will take place one business day later.

Eurex Clearing will calculate the **additional margin** on open futures positions according to the method used for the existing Phelix products. The new quarterly and yearly contracts will be integrated in the existing margin group (ECQY).

Margin requirements can be retrieved via the clearing system of Eurex Clearing. Alternatively, they are available in daily Eurex reports such as CC050.

The following **margin classes** will be created for the new French Financial Power Futures:

Margin Class	Contracts in Margin Class	Current Additional Margin Parameter
F7BM	**F7BM** French Financial Base Load Month Futures	5.20 €/MWh
F7BQ	**F2BQ, F7BQ** French Base Load Quarter Futures French Financial Base Load Quarter Futures	3.40 €/MWh
F7BY	**F2BY, F7BY** French Base Load Year Futures French Financial Base Load Year Futures	2.80 €/MWh
F7PM	**F7PM** French Financial Peak Load Month Futures	6.50 €/MWh
F7PQ	**F2PQ, F7PQ** French Peak Load Quarter Futures French Financial Peak Load Quarter Futures	4.30 €/MWh
F7PY	**F2PY, F7PY** French Peak Load Year Futures French Financial Peak Load Year Futures	3.60 €/MWh

For further information, please find the contract specifications on the EEX website under the following path:

www.eex.com > Download > Documentation > Rules and Regulations

The updated sections of the Clearing Conditions for Eurex Clearing AG effective December 7, 2011 are attached to this circular.

November 21, 2011

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AMENDMENTS ARE MARKED AS FOLLOWS:

INSERTIONS ARE UNDERLINED

DELETIONS ARE CROSSED OUT

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Chapter VII
Transactions Concluded on the European Energy Exchange (EEX)

Part 1
General Provisions

(1) Eurex Clearing AG shall carry out the settlement and clearing of transactions concluded at EEX and of OTC Transactions entered into the system of EEX (together "EEX Transactions"). Clearing services for transactions concluded at EEX shall be carried out in cooperation with the European Commodity Clearing AG ("**ECC**") as Link Clearing House on basis of a separate Clearing Link Agreement.

In consultation with EEX and ECC, Eurex Clearing AG shall determine which EEX Transactions will be included in the clearing and shall publish them exclusively via electronic publication in the internet, available on the internet pages of Eurex Clearing AG (www.eurexclearing.com).

(2) Provided that transactions concluded at EEX are included in the clearing by Eurex Clearing AG, the provisions of Chapter I shall also apply to the clearing of EEX Transactions, unless provided otherwise.

(3) Time specifications in this Chapter VII refer to the time zone valid for the offices of ECC.

1.1 Clearing Licenses

1.1.1 Granting of Clearing Licenses

(1) A Clearing License is required in order to participate in the Clearing of EEX Transactions; Eurex Clearing AG shall grant such Clearing License upon written application.

(2) Central banks or development banks of the Federal Government named by Eurex Clearing AG - such banks being subject to the supervision of a Federal Ministry – may upon application be exempt in whole or in part from the fulfilment of the prerequisites pursuant to Paragraph (1) and Number 1.1.2.

1.1.2 Prerequisites for Clearing Licenses

(1) With regard to the prerequisites to be fulfilled within the scope of the granting of an EEX Clearing License, Chapter I Part 1 Number 2.1.1 and 2.1.2applies. The prerequisites pursuant to Chapter I Part 1 Number 2.1.2 Paragraph (4)(a)(aa), Paragraph (5)(c), (e) and (f) whose fulfilment cannot be proven, shall be exempted.

(2) The applicant shall meet the following additional requirements:

(a) Evidence of a RTGS.

(b) Provision of at least one sufficiently qualified staff member for orderly conduct of the clearing obligations in the back office. At least one sufficiently qualified staff member shall be available via telephone, e-mail and telefax at any time during the Business Day.

(3) Upon written application and submission of relevant evidence, Eurex Clearing AG may allow the applicant or a Clearing Member the prerequisites for granting a Clearing License pursuant to Paragraph (2) (a) and (b) to be fulfilled and proved by one or several correspondent banks recognised by Eurex Clearing AG on behalf of and for the applicant or the Clearing Member. Chapter I Part 1 Number 2.1.2 Paragraph (7) and (8) apply *mutatis mutandis*.

1.2 Margin Requirement

(1) With regard to the obligation to provide Margin, the following provisions apply in deviation from Chapter I Part 1 Number 3 together with Part 2 Number 6 or Part 3 Number 5:

(2) The basis for the determination of the margin requirements are the net positions per account in all option- and futures contracts or transfer obligations resulting from options and futures contracts. The net position in each option and in each futures contract shall be determined by setting off a long position (including Transactions not yet fully performed) against a short position (including Transactions not yet fully performed, but excluding Transactions with matching cover). In deviation to Clause 1, a net position shall be determined for Own Account and the Market Maker Accounts (as defined in Number 1.3.4 below) pursuant to Clause 2. Clause 3 applies

to NCM-Related Transactions accordingly. Option and futures contracts may be combined into a single margin class, including, for example, when the underlying security or other value is the same. Eurex Clearing AG may form margin groups out of several margin classes, including classes with differing underlyings, if their respective prices develop favourably in the same direction. If Eurex Clearing AG forms margin classes or margin groups, the following rules shall apply *mutatis mutandis*, in that the relevant margin requirement shall be determined for the margin class or margin group, including by netting.

(3) With respect to options transactions with immediate premium payment obligation the applicable Margin Type shall be the Premium Margin.

(4) With respect to options transactions without immediate premium payment obligation, Variation Margin in respect of the daily profit and loss settlement amount as further set out in this Chapter VII shall be provided by either party to the options transaction.

(5) With respect to futures contracts, the applicable Margin Type shall be the Spread Margin.

(6) In addition, the Additional Margin shall apply to all Transactions concluded under this Chapter VII.

(7) The margin requirement determined for the aggregate of the Own Accounts and Market Maker Accounts shall be added to the margin requirement determined for the relevant Customer Account, in each case of Own Transactions and Customer-Related Transactions of a Clearing Member; credit balances on any such internal transaction account shall not be considered. Clause 1 shall apply accordingly to the calculation of the margin requirement for the respective accounts for NCM-Related Transactions. The total margin requirement applicable to a Clearing Member shall be determined as the sum of the aggregate margin requirements for Own and Customer-Related Transactions of a Clearing Member determined pursuant to Clause 1 and the margin requirements for NCM-Related Transactions of such Clearing Member pursuant to Clause 2; credit balances on any such internal transaction account shall not be considered. This Paragraph (7) shall not apply to the Clearing pursuant to the Individual Clearing Model Provisions; Chapter 1 Part 3 Number 5.2.2 remains unaffected.

(8) For possible claims of Eurex Clearing AG due to a late delivery of EU emission rights or Certified Emission Reductions on the account of the ECC at the national register office, Eurex Clearing AG may levy additional margin (Delivery Margin). The amount of such Delivery Margin shall be calculated and published in due time before a delivery date.

1.3 Accounts

1.3.1 Types of Position Accounts

(1) With regard to the accounts of the Clearing Member, Chapter I Part 1 Number 4 together with Part 2 Number 4 or Part 3 Number 4 apply in addition to the following provisions.

(2) In deviation to Chapter I Part 1 Number 4 together with Part 2 Number 4 or Part 3 Number 4, Eurex Clearing AG opens and maintains with respect to each Clearing Member the following transaction accounts in which the Transactions of the Clearing Member to be cleared have to be booked:

(a) with respect to Own Transactions and Customer-Related Transactions: two Own Accounts, further Customer Accounts, upon request, and two market maker accounts (each a "**Market Maker Account**"); and

(b) with respect to NCM-Related Transactions: two Own Accounts, further Customer Accounts, upon request, and two Market-Maker Accounts (each a "**Market Maker Account**").

(3) Regarding options Transactions, a corresponding internal premium account shall be kept for each account of a Clearing Member; the premiums for all options Transactions which need to be cleared for this Clearing Member shall be recorded in the premium account for the respective account. Premium accounts shall be settled daily. Eurex Clearing AG shall make the balance of any premium account available in the system for the Non-Clearing Member and the Clearing Member responsible for the clearing of such account.

1.3.2 Own Accounts

(1) Opening or closing trade adjustments for Transactions recorded in an Own Account and position adjustments performed to close two opposing Transactions or positions may be made in accordance with the provisions of Number 1.3.5 Paragraph (5).

(2) If a Transaction is specified as a closing Transaction (closing trade), without there being sufficient open Transactions or positions in the Own Account, a new Transaction will automatically be opened in the Own Account equivalent to the number of contracts that could not be closed.

(3) Concluded Transactions may be divided into several Transactions in the respective Own Account (trade separation).

1.3.3 Customer Accounts

(1) Adjustments to Transactions (trade adjustments) made to re-allocate Transactions from Customer Accounts to Own Accounts or vice versa or to re-allocate Transactions to a specific Customer Account (trade transfer), as well as the corresponding transfers of positions (position transfer), are permitted only for the purpose of ensuring that Transactions are correctly recorded in the relevant Customer Account in accordance with Number 1.3.5 Paragraph (5). For the avoidance of doubt, any such transfer or adjustment relating to NCM-Related Transactions shall only occur between the applicable Own Accounts and Customer Accounts for NCM-Related Transactions pursuant to Number 1.3.1 Paragraph (2)(b).

(2) A short position of a customer must be recorded in the relevant Customer Account separately from a long position of another customer in the same option series or in the same futures contract. A customer position may not be closed with another customer position. Adjustments to opening and closing Transactions in a Customer

Account are permitted only to the extent required for the proper maintenance of the account or pursuant to instructions of the customer in accordance with the provisions of Number 1.3.5 Paragraph (5).

(3) Closing position adjustments in the relevant Customer Account shall only be permitted for the purpose of closing two opposing positions held by the same customer in accordance with the provisions of Number 1.3.5 Paragraph (5).

(4) If a Transaction is specified as a closing Transaction (Closing Trade), without sufficient open positions existing in the relevant Customer Account, a new Transaction will automatically be opened in such Customer Account, corresponding to the number of contracts which could not be closed.

(5) Concluded Transactions may be divided into several transactions in the relevant Customer Account (trade separation).

1.3.4 Market Maker Accounts

Adjustments to Transactions (trade adjustments) that change the allocation of a Transaction from a Market Maker Account to an Own Account or Customer Account (trade transfer), as well as transfers of positions between accounts (position transfer), are permitted only for purposes of correct recording of Transactions in Market Maker Accounts in accordance with Number 1.3.5 Paragraph (5). For the avoidance of doubt, any such transfer or adjustment relating to NCM-Related Transactions shall only occur between the applicable Own Accounts, Customer Accounts or Market Maker Accounts for NCM-Related Transactions pursuant to Number 1.3.1 Paragraph (2)(b).

1.3.5 Account Management

(1) Positions in the relevant Customer Account and in the Own Accounts of shall be gross positions, i.e. positions may be open on both the long and the short sides. Positions in Market Maker Accounts shall be net positions, i.e., each position may only be either long or short.

(2) Eurex Clearing AG shall make the balance and transaction details for all accounts available in its system to the Clearing Members.

(3) All open positions in option series shall automatically be cancelled in the accounts of the Clearing Member after the Post-Trading Period on the last trading day for the options contract concerned. All assigned short positions and all exercised long positions shall be cancelled in the account of a Clearing Member after the delivery or payment has been effected in respect of such exercise or assignment, or after the cash settlement has been made in connection with such positions.

(4) Positions in futures contracts shall be cancelled in the accounts of the Clearing Members after the delivery or payment or the cash settlement in connection with such positions has been effected.

(5) Trade adjustments can be entered before, during or after the trading period of each trading day, depending on the functions of the Eurex trading platform used. They are

permitted with respect to transactions executed on the respective trading day and the both preceding trading days.

Closing position adjustments can be entered before, during or after the trading period of each trading day, depending on the functions of the Eurex trading platform used. Position transfers between accounts of the same Non-Clearing Member or Clearing Member may be entered during the Pre-Trading Period, the Pre-Opening Period, the Trading Period and the Post-Trading Full Period of any Business Day.

(6) Position transfers between different Non-Clearing Members or Clearing Members from or onto Market Maker accounts are not permitted. Position transfers without cash transfer or position transfers with cash transfer between different Clearing Members (member position transfer) may only be made upon confirmation of the entry of the transfer as binding by all Non-Clearing Members and Clearing Members involved. Position transfers from or onto a Customer Account may only be made at the request of the customer concerned. The function "Position transfer with cash transfer" may only be selected if - by way of a reference which must be entered into the system of the Eurex trading platform - the amount to be transferred is clearly attributable to one or more transactions entered in an account of the Clearing Member.

The system of Eurex Clearing AG will transfer the relevant positions after the Post-Trading Full Period. Any cash payments or credit entries to be made in relation to the function "Position transfer with cash transfer" shall always be effected on the Business Day following the day on which the function was used. However, with regard to this particular function, the respective amount is only transferred to the Clearing Member entitled to receive payment when the Clearing Member liable to pay the amount has actually effected payment. In respect of such cash transfer, Eurex Clearing AG and the trading platform involved shall not have any performance obligation towards the Exchange Participant entitled to receive payment.

(7) With regard to transfers of transactions (Give-up Trades), the provisions regarding Eurex transactions (Chapter II Part 1 Number 1.3.5 (7)) shall apply accordingly.

(8) Position or trade transfers between Clearing Members of Eurex Clearing AG or their Non-Clearing Members and Clearing Members of a Link Clearing House included in the clearing besides Eurex Clearing AG or their Non-Clearing Members shall be carried out upon fulfilment of the prerequisites in Paragraphs 6 or 7.

1.4 Business and contractual obligations

(1) Clearing Members are obliged to settle all obligations arising from matching of orders or EEX Transactions concluded off-exchange which have been entered into the system of EEX (together “**EEX Transactions**”) by them or by their Non-Clearing Members.

(2) In case physical settlement of a future is owed in accordance with the trading conditions of EEX, only the EEX trading participant shall be obliged to fulfil the obligations to deliver and/ or the purchase obligations and the payment obligations.

The legal relationships described in Chapter I Part 1 Number 1.2.2 Paragraph (3)(b) from EEX Transactions shall change as follows at the close of the last EEX trading day before the delivery date of the respective EEX Transaction with regard to the futures contracts underlying these EEX Transactions:

a) Eurex Clearing AG shall assign the delivery claims or the purchase and payment claims arising from each EEX Transaction to the respective Clearing Member of Eurex Clearing AG (CM ECAG). The CM ECAG shall, at the same time, take over the corresponding delivery obligations or the purchase and payment claims of Eurex Clearing AG vis-à-vis ECC and takes over these obligations. At the same time, the delivery claims or the purchase and payment claims between Eurex Clearing AG and CM ECAG shall expire.

b) Provided that Non-Clearing Members have concluded such futures contracts with their CM ECAG, each CM ECAG shall – at the time of the modified legal relationships arising from EEX Transactions – assign the delivery claims or purchase and payment claims existing vis-à-vis ECC to its Non-Clearing Members. The respective NCM ECAG shall at the same time take over the corresponding delivery obligations or the purchase and payment obligations of its CM ECAG vis-à-vis ECC and takes over these obligations. At the same time, the delivery obligations or purchase and payment obligations between CM ECAG and its NCM ECAG shall expire. As a result, the NCM ECAG shall be obliged directly vis-à-vis ECC to deliver or purchase the emission rights underlying the respective futures contract and to effect the respective payments.

c) Clearing Members (CM ECAG) shall be liable in cash vis-à-vis Eurex Clearing AG, after effected takeover of existing delivery-, purchase- and payment obligations from EEX Transactions by their Non-Clearing Members (NCM ECAG) as guarantor pursuant to Paragraph (2) b), and irrespective of the original provisions regarding delivery or purchase, only to the extent Eurex Clearing AG may require cash from Clearing Members instead of the delivery or purchase and payment, in particular if delivery has failed.

   After takeover of existing delivery-, purchase- and payment obligations by Eurex Clearing AG from EEX Transactions by its CM ECAG pursuant to Paragraph (2) a), Eurex Clearing AG shall be liable as guarantor vis-à-vis ECC only in cash in according application of Clause 1.

d) After execution of the deliveries to ECC, the financial regulation shall be effected via the Clearing Member and Eurex Clearing AG as paying agent via which the Non-Clearing Member conducts its transactions.

(3) Regardless of the regulations contained in Paragraphs (1) and (2), a Clearing Member shall, moreover, also be obliged to fulfil all obligations resulting from the transactions which have been transferred to the Clearing Member in the framework of a trade or position transfer from another trading participant for the further settlement in his agent and Own Accounts.

(4) The transaction fees of the Non-Clearing Member shall be exempt from the obligations referred to in above paragraphs.

1.5 Daily Setoff of Cash Claims

Eurex Clearing AG may set off all cash claims of the Transactions under this Chapter vis-à-vis the Clearing Members in accordance with Chapter I Part 1 Number 1.3.

1.6 Direct Netting

An order or a Transaction already concluded may be indicated as "Close". The claims resulting from the indicated offer or Transaction shall directly be netted with the claims from the Transactions or orders which are indicated as "Open". The provisions of Number 1.3 shall thereby apply.

The fulfilment of this netting shall immediately become effective upon implementation of the netting in the system of Eurex Clearing AG.

Part 2
Clearing of Futures Contracts

The following Subparts apply to the Clearing of Transactions in futures contracts which are listed in the Contract Specifications of the European Energy Exchange and have been included in the Clearing by Eurex Clearing AG.

2.1 Subpart
General Provisions

The “General Provisions” pursuant to this Number 2.1 shall apply for all futures contracts unless special provisions or provisions deviating from the “General Provisions” apply to individual futures contracts in the following in this Chapter VII.

2.1.1 General Obligations

(1) Derivatives transactions, in particular in form of futures contracts are traded on EEX. The fulfilment of such futures contracts shall be effected in accordance with the provisions made in these Clearing Conditions regardless of the maturity of the contract.

(2) Clearing Members must fulfill their payment obligations in accordance with the instructions of Eurex Clearing AG.

(3) All payments in Euro shall be effected on the Business Day following the respective settlement day, unless the Contract Specifications of EEX for the respective EEX products provide otherwise. All Clearing Members shall ensure their solvency on the respective Business Day by means of corresponding deposits on the RTGS Account.

2.1.2 Daily Settlement Price

(1) For each futures contract, the change in the value of the positions is established on every Business Day during batch processing. The change in the value shall be calculated on the basis of the difference in the daily settlement prices of the Business

Day and of the previous Business Day. With regard to positions which have only been opened or closed in the course of the current Business Day, the change in the value shall be calculated on the basis of the difference between the price at which the corresponding Transaction was concluded and the daily settlement price of the Business Day concerned.

The determined profit or loss amount on any Business Day shall be the Variation Margin Requirement and/or any Redelivery Amount, as the case may be (as defined in Chapter I Part 2 Number 7 or Chapter I Part 3 Number 6, as applicable).

(2) The daily settlement price up to and including the last trading day of a futures contract shall be established by EEX in accordance with its Trading Conditions and determined by Eurex Clearing AG. Eurex Clearing AG shall be entitled to determine the daily settlement price in deviation to this. The daily settlement price on the last trading day is at the same time the final settlement price ("**Final Settlement Price**").

(3) The aforementioned paragraphs shall apply to the legal relationship between Clearing Members and their relevant Non-Clearing Members *mutatis mutandis*.

2.1.3 Failure to Deliver

(1) In the event a trading participant fails to deliver the EU emission allowances or Certified Emission Reductions to be delivered to the DEHSt account of ECC in accordance with the instructions by ECC on the delivery day (as per Number [X]) at the latest, ECC shall be entitled to take the following measures:

a) ECC may carry out stocking up for the EU emission rights or Certified Emission Reductions which have not been delivered, either in Exchange trading or in any other suitable manner from the first Business Day after the delivery day at the earliest, in case it is convinced on account of extraordinary risks that the margins which have been deposited are not sufficient for securing these transactions any more or in case it deems a replacement of the EU emission rights or Certified Emission Reductions which have not been delivered on EEX or off-exchange required because of other serious reasons ("stocking up").

b) In case the EU emission allowances or Certified Emission Reductions to be delivered by the EEX trading participant obliged to deliver are not delivered to ECC on the 5th Business Day after the delivery day at the latest, ECC shall – on account of the EEX trading participant obliged to deliver - stock up the EU emission rights or Certified Emission Reductions which have not been delivered within a period of time established by it, which usually amounts to 5 Business Days. The right to deliver on the part of the defaulting EEX trading participant shall be precluded for this period of time. Stocking up in Exchange trading can be carried out in accordance with an auction pursuant to Paragraph (1) c) or by other appropriate means.

c) With regard to stocking up by means of an auction, the following shall apply:

ECC or EEX, which it has been commissioned by it, shall publish a maximum price for each EU emission allowance or Certified Emission Reduction for the respective auction up to which it is prepared to accept bids. The maximum price

for this auction is calculated on the basis of the value established by ECC for the corresponding EU emission rights or Certified Emission Reductions with a surcharge of 100 per cent. Every EEX trading participant who has been licensed to that end by ECC or EEX, can participate in these auctions.

d) In case the measures provided for in Paragraph (1) a) and b) are not successful within the period of time established in accordance with Paragraph (1) b), ECC shall be entitled to establish a cash settlement with regard to a transaction or the part of a transaction which has not been fulfilled so that the obligations to perform arising from this transaction on the part of the defaulting EEX trading participant and of ECC cease to apply. The defaulting EEX trading participant shall be obliged to pay a cash settlement to ECC instead. In this case, the same shall apply with regard to trades with the same contents concluded between ECC and one or several other EEX trading participants to be supplied. The execution of a cash settlement shall be based on the precondition that two attempts at stocking up by means of one auction each according to Paragraph (1) c) have been executed by ECC or by EEX, which it has commissioned, prior thereto.

The amount of the cash settlement to be paid by the defaulting EEX trading participant shall be established on the basis of the total of the following positions:

1. The amount of the cash settlement to be paid is established by means of a comparison between the value established by ECC for the EU emission allowances or Certified Emission Reductions concerned plus a surcharge to the amount of 100 per cent, the highest sales price of the trades concerned as well as of the highest purchase price of the trades concerned.

2. The highest price established in the context of this comparison is then multiplied by the respective number of trades concerned. The sum resulting from this is set off with the respective final amounts of the trades concerned and hence yields the amount to be paid to ECC in the course of cash settlement.

3. After receipt thereof, ECC shall pay out this amount to the other trading participants to be supplied.

(2) The EEX trading participant which was not been supplied in due time must accept the measures according to Paragraph (1). In as far as ECC has initiated stocking up by means of an auction or in accordance with measures as per Paragraph (1) a), the EEX trading participant obliged to deliver shall not be entitled to deliver the EU emission allowances or Certified Emission Reductions which it owes to ECC on the day of the respective auction or of the measures according to Paragraph (1) a). In case stocking up of the EU emission rights or Certified Emission Reductions to be delivered has been achieved by means of an auction or in any other way, the obligations to deliver arising from the original trade shall expire on account of this.

(3) The costs incurred on account of measures as per Paragraph 1 shall be borne by the defaulting EEX trading participant. Amongst other aspects, ECC shall charge a fee

for each auction which has been carried out to the amount of EUR 250 for each defaulting delivery of EU emission allowances or Certified Emission Reductions.

(4) ECC can have recourse to the EEX trading participant or to Eurex Clearing AG pursuant to Number 1.4 Paragraph (2) c) in case of default which ECC or other EEX trading participants have suffered on account of a default caused by the EEX trading participant. Regardless of the occurrence of a case of damage, ECC shall be entitled to demand interest as well as liquidated damages from a defaulting trading participant or Eurex Clearing AG. The liquidated damages shall be calculated as follows:

Until the delivery of the outstanding EU emission allowances or Certified Emission Reductions by the defaulting EEX trading participant, until stocking up or until settlement of the trades for which no delivery has taken place by means of cash settlement ECC shall be entitled to the payment of liquidated damages and of interest in accordance with the provisions in Chapter I Number 3.9.1 Paragraph (3). The period of time which is relevant for the calculation of the liquidated damages including the interest shall be extended up to and including the Business Day on which the EU emission allowances or Certified Emission Reductions delivered or acquired by means of stocking up are transferred to the other EEX trading participants to be supplied by means of a credit entry on the respective internal position accounts. This shall apply accordingly in as far as claims to the delivery or claims to damages have been assigned to ECC or in as far as a cash settlement is executed by it.

ECC shall, provided that it resorts upon Eurex Clearing AG as guarantor pursuant to Number 1.4 Paragraph (2) c) in case of damages caused by default of the EEX trading participant, assign the indemnity claims against the defaulting EEX trading participant to Eurex Clearing AG if Eurex Clearing AG has fulfilled the asserted payment claim.

(5) Provided ECC claims indemnity according to Paragraph (4) from Eurex Clearing AG in its position as guarantor pursuant to Number 1.4 Paragraph (2) c), Eurex Clearing AG may resort to the Clearing Member being guarantor for the respective obligations of the defaulting EEX trading participant pursuant to Number 1.4 Paragraph (2) c), in the amount paid to ECC plus another damage caused by default of the EEX trading participant. This applies accordingly provided that ECC resorts to Eurex Clearing AG due to interest claims or claims to contractual penalty fines pursuant to Paragraph (4).

In this case, Eurex Clearing AG shall, in according application of Paragraph (4), assign its indemnity claims against the defaulting EEX trading participant to its Clearing Member if this Clearing Member has fulfilled the payment claim asserted by Eurex Clearing AG.

2.2 Subpart Clearing of European Carbon Futures Early DecContracts

The following provisions shall apply to the Clearing of Transactions in European Carbon Futures Early Dec Contracts with physical delivery of EU emission allowances from the

trading phase during the time period 1 January 2008 to 31 December 2012 (EU ETS Phase II) whose contract specifications are determined by EEX.

2.2.1 Financial Settlement upon Delivery

(1) The number of the EU emission allowances to be delivered multiplied by the final settlement price plus any value-added tax required by law shall form the basis of the settlement of transactions.

(2) Financial settlement shall be effected by means of netting out the accounts receivable and the liabilities of all positions the clearing of which is effected by Eurex Clearing AG subject to the provisions contained in these Clearing Conditions into one account receivable or liability.

(3) Financial settlement is effected on the first Business Day after the last trading day.

(4) All payments including the VAT required by law shall be effected directly between the Clearing Members and Eurex Clearing AG on the Business Day pursuant to Paragraph (3) and, as the case may be, between Eurex Clearing AG and ECC, via the respective RTGS Accounts pursuant to Chapter VII Number 1.1.2 Paragraph (2)a).

2.2.2 Treatment with regard to VAT upon delivery

(1) The EU emission allowances which are introduced into delivery subject to the provisions contained in the trading conditions of EEX multiplied by the final settlement price shall form the basis for the calculation of the VAT. On this basis and under consideration of the in-formation provided by the Exchange participants regarding the taxation treatment ECC shall calculate the VAT incurred with regard to the transactions separately.

(2) The EU emission allowances to be delivered multiplied by the final settlement price in-creased by the delivery fees charged in case of a sale or reduced by the delivery fees charged in case of a sale shall form the assessment basis for the VAT.

(3) The amount of the VAT determined in this way shall be invoiced separately or credited separately for each EEX trading participant.

(4) Financial settlement shall be effected subject to the provisions contained in Number 2.2.1 netted out into one account receivable liability by means of the respective Clearing Members in charge as the paying agent.

2.2.3 Delivery and acceptance of EU emission allowances

(1) The Business Day following the last trading day shall be the delivery day ("**delivery day**").

(2) Settlement of the futures regarding EU emission allowances shall be effected directly by the EEX trading participant towards ECC subject to the provisions contained in these Clearing Conditions. On the delivery day, the EEX trading participants shall ensure their capacity to deliver by means of corresponding stocks in the account kept

in trust for all EEX trading participants by ECC at the national register authority (DEHSt account).

(3) ECC shall keep internal position accounts regarding the EU emission allowances which are booked on the DEHSt account of ECC for each EEX trading participant. The disposals and additions regarding EU emission allowances shall be booked on said internal inventory accounts by means of sales and purchases or by means of the surrender and return of such.

The delivery of EU emission allowances shall be effected by means of recording on these internal accounts directly by the trading participants towards ECC and shall effect a corresponding change in the number of shares which the trading participant holds in the total stock kept in trust in the discretionary DEHSt account of ECC at the same time.

(4) All deliveries of EU emission allowances shall be effected step by step directly between the EEX trading participants and ECC.

(5) Settlement with regard to the EU emission allowances to be delivered shall be considered effected as of the time at which the following prerequisites are fulfilled:

- all entries in the accounts from the position account of ECC to the internal position accounts of the EEX trading participants to be supplied have been made and
- corresponding cash settlement (Number 2.2.1) has been carried out.

(6) In case an EEX trading participant defaults with regard to its delivery obligations, the consequences of such default are specified in Number 2.1.3.

2.3 Subpart Clearing of Futures Contracts on Certified Emission Reductions (CER Futures Early Dec Contracts)

The following provisions shall apply to the Clearing of transactions in Futures Contracts on certified emission reductions (Certified Emission Reductions/CER, hereinafter referred to as "**CER Futures Early Dec Contracts**") with physical delivery whose contract specifications are determined by EEX.

2.3.1 Financial Settlement upon Delivery

(1) The number of Certified Emission Reductions to be delivered multiplied by the final settlement price plus VAT required by law shall form the basis of the settlement of transactions.

(2) Financial settlement shall be effected by means of netting out the accounts receivable and the liabilities of all open positions the clearing of which is effected by Eurex Clearing AG subject to the provisions contained in these Clearing Conditions into one account receivable or liability.

(3) Financial settlement is effected on the first Business Day after the last trading day.

(4) All payments including VAT required by law shall be effected directly between the Clearing Members and Eurex Clearing AG on the Business Day pursuant to Paragraph (3) and, as the case may be, between Eurex Clearing AG and ECC, via the their accounts on the Business Day pursuant to Number 1.1.2 Paragraph (2)a).

2.3.2 Treatment with regard to VAT upon delivery

(1) The Certified Emission Reductions which are introduced into delivery subject to the provisions contained in the trading conditions of EEX multiplied by the final settlement price shall form the basis for calculation of the VAT. On this basis and under consideration of the information provided by the EEX trading participants regarding the taxation treatment, ECC shall calculate the VAT incurred with regard to the transactions separately.

(2) The Certified Emission Reductions to be delivered multiplied by the final settlement price, increased by the delivery fees charged in case of a purchase or reduced by the delivery fees charged in case of a sale, shall form the assessment basis for the VAT.

(3) The amount of the VAT determined in this way shall be invoiced or credited separately for each EEX trading participant.

(4) Financial settlement shall be effected subject to the provisions contained in Number 2.3.1 netted out into one account receivable or liability by means of the respective Clearing Members in charge as the paying agent.

2.3.3 Delivery and acceptance of Certified Emission Reductions

(1) The Business Day following the last trading day shall be the delivery day ("**delivery day**").

(2) Settlement of the futures on Certified Emission Reductions (CER Futures Early Dec Contracts) shall be effected directly by the EEX trading participant towards ECC subject to the provisions contained in these Clearing Conditions. On the delivery day, the EEX trading participants shall ensure their capacity to deliver by means of corresponding stocks in the account kept in trust for all EEX trading participants by ECC at the national register authority (DEHSt account).

(3) ECC shall keep internal position accounts regarding the Certified Emission Reductions which are booked on the DEHSt account of ECC for each EEX trading participant. The disposals and additions regarding EU emission allowances shall be booked on said internal inventory accounts by means of sales and purchases or by means of the surrender and return of such.

The delivery of Certified Emission Reductions shall be effected by means of recording on these internal accounts directly by the trading participants towards ECC and shall effect a corresponding change in the number of shares which the trading participant holds in the total stock kept in trust in the DEHSt account of ECC at the same time.

(4) All deliveries of Certified Emission Reductions shall be made step by step directly between the selling EEX trading participants and ECC and accordingly between the ECC and the EEX trading participants to be delivered.

(5) Settlement with regard to the Certified Emission Reductions to be delivered shall be considered effected as of the time at which the following prerequisites are fulfilled:

- all entries in the accounts from the position account of ECC to the internal position accounts of the EEX trading participants to be supplied have been made and
- corresponding cash settlement (Number 2.2.1) has been carried out.

(6) In case an EEX trading participant defaults with regard to its delivery obligations, the consequences of such default are specified in Number 2.1.3.

2.4 Subpart Clearing of European-Carbon-Futures-Mid Dec Contracts

The following provisions apply to the Clearing of Transactions in European-Carbon-Futures-Mid Dec Contracts with physical delivery of EU emission allowances from the trading phases during the time period 1 January 2008 to 31 December 2012 (EU ETS Phase II) and during the time period 1 January 2013 to 31 December 2020 (EU ETS Phase III) whose contract specifications are determined by EEX.

2.4.1 Financial Settlement upon Delivery

(1) The number of EU emission allowances to be delivered multiplied by the final settlement price plus VAT required by law shall form the basis of the settlement of transactions.

(2) Financial settlement shall be effected by means of netting out the accounts receivable and the liabilities of all open positions the clearing of which is effected by Eurex Clearing AG subject to the provisions contained in these Clearing Conditions into one account receivable or liability.

(3) Financial settlement is effected on the first Business Day after the last trading day.

(4) All payments including VAT required by law shall be effected directly between the Clearing Members and Eurex Clearing AG and, as the case may be, between Eurex Clearing AG and ECC, via the RTGS Accounts pursuant to Chapter VII Number 1.1.2 Paragraph (2) a) on the Business Day pursuant to Paragraph (3).

2.4.2 Treatment with regard to VAT upon delivery

(1) The EU emission allowances which are introduced into delivery subject to the provisions contained in the trading conditions of EEX multiplied by the final settlement price shall form the basis for calculation of the VAT. On this basis and under consideration of the information provided by the Exchange participants regarding the taxation treatment, ECC shall calculate the VAT incurred with regard to the transactions separately.

(2) The EU emission allowances to be delivered multiplied by the final settlement price, increased by the delivery fees charged in case of a purchase or reduced by the delivery fees charged in case of a sale, shall form the assessment basis for the VAT.

(3) The amount of the VAT determined in this way shall be invoiced or credited separately for each EEX trading participant.

(4) Financial settlement shall be effected subject to the provisions contained in Number 2.4.1 netted out into one account receivable or liability by means of the respective Clearing Members in charge as the paying agent.

2.4.3 Delivery and acceptance of EU Emission Allowances

(1) The second Business Day following the last trading day shall be the delivery day ("**delivery day**").

(2) Settlement of the futures on EU emission allowances shall be effected directly by the EEX trading participant towards ECC subject to the provisions contained in these Clearing Conditions. On the delivery day, the EEX trading participants shall ensure their capacity to deliver by means of corresponding stocks in the account ("**DEHSt account**") kept in trust for all EEX trading participants by ECC at the national register authority ("**DEHSt**").

(3) ECC shall keep internal position accounts regarding the EU emission allowances which are booked on the DEHSt account of ECC for each EEX trading participant. The disposals and additions of EU emission allowances as a result of fulfilment of EEX Transactions or in case of surrender and return of such shall be booked on said internal inventory accounts.

The delivery of EU emission allowances shall be effected by means of recording on these internal accounts directly by the trading participants towards ECC and shall effect a corresponding change in the number of shares which the trading participant holds in the total stock kept in trust in the DEHSt account of ECC at the same time.

(4) All deliveries of EU emission allowances shall be made step by step directly between the selling EEX trading participants and ECC and accordingly between the ECC and the EEX trading participants to be delivered.

(5) Settlement with regard to the EU emission allowances to be delivered shall be considered effected as of the time at which the following prerequisites are fulfilled:

- all entries in the accounts from the position account of ECC to the internal position accounts of the EEX trading participants to be supplied have been made and
- corresponding cash settlement (Number 2.4.1) has been carried out.

(6) In case an EEX trading participant defaults with regard to its delivery obligations, the consequences of such default are specified in Number 2.1.3.

2.5 Subpart Clearing of European-Carbon-Futures-Primary Auction Contracts

The following provisions apply to the Clearing of Transactions in European-Carbon-Futures-Primary Auction Contracts with physical delivery of EU emission allowances from the trading phase during the time period 1 January 2008 to 31 December 2012 (EU ETS Phase II) whose contract specifications are determined by EEX.

2.5.1 Financial Settlement upon Delivery

(1) The number of EU emission allowances to be delivered multiplied by the final settlement price plus VAT required by law shall form the basis of the settlement of transactions.

(2) Financial settlement shall be effected by means of netting out the accounts receivable and the liabilities of all open positions the clearing of which is effected by Eurex Clearing AG subject to the provisions contained in these Clearing Conditions into one account receivable or liability.

(3) Financial settlement is effected on the first Business Day after the last trading day.

(4) All payments including VAT required by law shall be effected directly between the Clearing Members and Eurex Clearing AG and, as the case may be, between Eurex Clearing AG and ECC, via the RTGS Accounts pursuant to Chapter VII Number 1.1.2 Paragraph (2) a) on the Business Day pursuant to Paragraph (3).

2.5.2 Treatment with regard to VAT upon delivery

(1) The EU emission allowances which are introduced into delivery subject to the provisions contained in the trading conditions of EEX multiplied by the final settlement price shall form the basis for calculation of the VAT. On this basis and under consideration of the information provided by the Exchange participants regarding the taxation treatment, ECC shall calculate the VAT incurred with regard to the transactions separately.

(2) The EU emission allowances to be delivered multiplied by the final settlement price, increased by the delivery fees charged in case of a purchase or reduced by the delivery fees charged in case of a sale, shall form the assessment basis for the VAT.

(3) The amount of the VAT determined in this way shall be invoiced or credited separately for each EEX trading participant.

(4) Financial settlement shall be effected subject to the provisions contained in Number 2.5.1 netted out into one account receivable or liability by means of the respective Clearing Members in charge as the paying agent.

2.5.3 Delivery and acceptance of EU Emission Allowances

(1) The second Business Day following the last trading day shall be the delivery day ("**delivery day**").

(2) Settlement of the futures on EU emission allowances shall be effected directly by the EEX trading participant towards ECC subject to the provisions contained in these Clearing Conditions. On the delivery day, the EEX trading participants shall ensure their capacity to deliver by means of corresponding stocks in the account ("**DEHSt account**") kept in trust for all EEX trading participants by ECC at the national register authority ("**DEHSt**").

(3) ECC shall keep internal position accounts regarding the EU emission allowances which are booked on the DEHSt account of ECC for each EEX trading participant. The disposals and additions of EU emission allowances as a result of fulfilment of EEX Transactions or in case of surrender and return of such shall be booked on said internal inventory accounts.

The delivery of EU emission allowances shall be effected by means of recording on these internal accounts directly by the trading participants towards ECC and shall effect a corresponding change in the number of shares which the trading participant holds in the total stock kept in trust in the DEHSt account of ECC at the same time.

(4) All deliveries of EU emission allowances shall be made step by step directly between the selling EEX trading participants and ECC and accordingly between the ECC and the EEX trading participants to be delivered.

(5) Settlement with regard to the EU emission allowances to be delivered shall be considered effected as of the time at which the following prerequisites are fulfilled:

- all entries in the accounts from the position account of ECC to the internal position accounts of the EEX trading participants to be supplied have been made and
- corresponding cash clearing (Number 2.5.1) has been carried out.

(6) In case an EEX trading participant is in default with regard to its delivery obligations, the consequences of such default are specified in Number 2.1.3.

~~2.5~~2.6 Subpart Clearing of Futures Contracts on Certified Emission Reductions (CER Futures Mid Dec Contracts)

The following provisions shall apply to the Clearing of Transactions in Futures contracts on Certified Emission Reductions (Certified Emission Reductions/CER; hereinafter referred to as "CER Futures Mid Dec Contracts") with physical delivery of EU emission rights whose contract specifications are determined by EEX.

~~2.5.1~~2.6.1 Financial Settlement upon Delivery

(1) The number of Certified Emission Reductions to be delivered multiplied by the final settlement price plus VAT required by law shall form the basis of the settlement of transactions.

(2) Financial settlement shall be effected by means of netting out the accounts receivable and the liabilities of all open positions the clearing of which is effected by

Eurex Clearing AG subject to the provisions contained in these Clearing Conditions into one account receivable or liability.

(3) Financial settlement is effected on the second Business Day after the last trading day.

(4) All payments including VAT required by law shall be effected on the Business Day pursuant to Paragraph 3 directly between the Clearing Members and Eurex Clearing AG and, as the case may be, between Eurex Clearing AG and ECC, via their accounts pursuant Chapter VII Number 1.1.2 Paragraph (2) a).~~All payments including VAT required by law shall be effected directly between the Clearing Members and Eurex Clearing AG and, as the case may be, between Eurex Clearing AG and ECC, via their accounts with a branch of the German Federal Bank on the Business Day pursuant to Paragraph 3~~.

~~2.5.2~~2.6.2 Treatment with regard to VAT upon delivery

(1) The Certified Emission Reductions which are introduced into delivery subject to the provisions contained in the trading conditions of EEX multiplied by the final settlement price shall form the basis for calculation of the VAT. On this basis and under consideration of the information provided by the EEX trading participants regarding the taxation treatment, ECC shall calculate the VAT incurred with regard to the transactions separately.

(2) The Certified Emission Reductions to be delivered multiplied by the final settlement price, increased by the delivery fees charged in case of a purchase or reduced by the delivery fees charged in case of a sale, shall form the assessment basis for the VAT.

(3) The amount of the VAT determined in this way shall be invoiced or credited separately for each EEX trading participant.

(4) Financial settlement shall be effected subject to the provisions contained in Number ~~2.5.1~~2.6.1 netted out into one account receivable or liability by means of the respective Clearing Members in charge as the paying agent.

~~2.5.3~~2.6.3 Delivery and acceptance of Certified Emission Reductions

(1) The second Business Day following the last trading day shall be the delivery day ("**delivery day**").

(2) Settlement of the futures on Certified Emission Reductions shall be effected directly by the EEX trading participant towards ECC subject to the provisions contained in these Clearing Conditions. On the delivery day, the EEX trading participants shall ensure their capacity to deliver by means of corresponding stocks in the account ("DEHSt account") kept in trust for all EEX trading participants by ECC at the national register authority ("DEHSt").

(3) ECC shall keep internal position accounts regarding the Certified Emission Reductions which are booked on the DEHSt account of ECC for each EEX trading participant. The disposals and additions of EU emission allowances as a result of

fulfilment of EEX Transactions or in case of surrender and return of such shall be booked on said internal inventory accounts.

The delivery of Certified Emission Reductions shall be effected by means of recording on these internal accounts directly by the trading participants towards ECC and shall effect a corresponding change in the number of shares which the trading participant holds in the total stock kept in trust in the DEHSt account of ECC at the same time.

(4) All deliveries of Certified Emission Reductions shall be made step by step directly between the selling EEX trading participants and ECC and accordingly between the ECC and the EEX trading participants to be delivered.

(5) Settlement with regard to the Certified Emission Reductions to be delivered shall be considered effected as of the time at which the following prerequisites are fulfilled:

- all entries in the accounts from the position account of ECC to the internal position accounts of the EEX trading participants to be supplied have been made and
- corresponding cash settlement (Number ~~2.5.1~~2.6.1) has been carried out.

(6) In case an EEX trading participant defaults with regard to its delivery obligations, the consequences of such default are specified in Number 2.1.3.

~~2.6~~2.7 Sub-Part Clearing of Futures Contracts on Power (Phelix and French-Base- and Phelix and French-Peak Futures) and Phelix-Off-Peak Futures

The following subparts shall apply to the Clearing of Transactions in Futures Contracts on Power (Phelix and French-Base- and Phelix and French-Peak Futures and Phelix Off-Peak Futures Contracts) with financial fulfilment whose contract specifications are determined by EEX.

~~2.6.1~~2.7.1 Cascading of Phelix-and French-Base- and Phelix-and French-Peak Futures and Phelix-Off-Peak Futures Contracts

Cascading and financial fulfilment of Phelix and French-Base- and Phelix and French-Peak and Phelix-Off-Peak Futures Contracts shall be carried out consistently, irrespective of their term and pursuant to the regulations set forth in the Clearing Conditions.

~~2.6.1.1~~2.7.1.1 Principles of Cascading

(1) In general, cascading means that concerned futures contracts – provided they arrange for longer delivery terms – shall be substituted by futures contracts of the same kind with shorter delivery terms on the last trading day before beginning of the respective delivery term. The details shall be regulated by the following provisions.

(2) Phelix and French-Base-Month- and Phelix and French-Peak- and Phelix-Off-Peak-Month Futures contracts shall be fulfilled financially only at the end of the current

delivery month. Therefore, quarter- and year futures shall be cascaded pursuant to aforementioned conditions until they are financially fulfilled as month contracts.

~~2.6.1.2~~2.7.1.2 Cascading of Phelix and French-Base-Quarter-, ~~and~~ Phelix and French-Peak- and Phelix-Off-Peak-Quarter Futures Contracts

(1) After execution of the daily settlement on the last trading day, the holders of Phelix- and French Base-Quarter Futures contracts are assigned the three correspondent Phelix and French-Base-Month Futures contracts which taken together correspond to the delivery period of this Phelix and French-Base-Quarter Futures contract, instead of these futures at the same settlement price.

(2) After execution of the daily settlement on the last trading day, the holders of Phelix and French-Peak-Quarter Futures contracts are assigned the three correspondent Phelix and French-Peak-Month Futures contracts which taken together correspond to the delivery period of this Phelix and French-Peak-Quarter Futures contract, instead of these futures at the same settlement price.

(3) After execution of the daily settlement on the last trading day, the holders of Phelix-Off-Peak-Quarter-Futures contracts are assigned the three correspondent Phelix-Off-Peak-Month-Futures contracts which taken together correspond to the delivery period of this Phelix-Off-Peak-Quarter-Futures contract, instead of these futures at the same settlement price.

(4) The following provisions rule the clearing procedure for the positions resulting from the cascading.

~~2.6.1.3~~2.7.1.3 Cascading of Phelix and French-Base-Year- and Phelix and French-Peak- and Phelix-Off-Peak-Year Futures Contracts

(1) After execution of the daily settlement on the last trading day, the holders of Phelix and French-Base-Year Futures contracts shall on the same Business Day be assigned the three correspondent Phelix and French-Base-Month Futures contracts for the following calendar months January to March as well as the three correspondent Phelix and French-Base-Quarter Futures contracts for the second to 4th calendar quarter which taken together correspond to the delivery period of this Phelix and French-Base-Year Futures contract, instead of these futures at the same settlement price.

(2) After execution of the daily settlement on the last trading day, the holders of Phelix and French-Peak-Year Futures contracts shall on the same Business Day be assigned the three correspondent Phelix and French-Peak-Month Futures contracts for the following calendar months January to March as well as the three correspondent Phelix and French-Base-Quarter Futures contracts for the second to fourth calendar quarter which taken together correspond to the delivery period of this Phelix and French-Peak-Year Futures contract, instead of these futures at the same settlement price.

(3) After execution of the daily settlement on the last trading day, the holders of Phelix-Off-Peak-Year-Futures contracts shall on the same Business Day be assigned the

three correspondent Phelix-Off-Peak-Month-Futures contracts for the following calendar months January to March as well as the three correspondent Phelix-Off-Peak-Quarter Futures contracts for the second to fourth calendar quarter which taken together correspond to the delivery period of this Phelix-Off-Peak-Year Futures contract, instead of these futures at the same settlement price.

(4) The following provisions rule the clearing procedure for the positions resulting from the cascading.

~~2.6.2~~2.7.2 Final Settlement Price

(1) The final settlement price for Phelix and French-Base-Month Futures contracts shall correspond to the mean value of all auction prices of the hourly contracts traded on the EEX Spot Market for the hours between 00:00 a.m. and 00~~12~~:00 ~~p~~a.m. - 24 hours later - for all days of the delivery month.

(2) The final settlement price for Phelix and French-Peak-Month Futures contracts shall correspond to the mean value of all auction prices of the hourly contracts traded on the EEX Spot Market for the hours between 08:00 a.m. and 08:00 p.m. for all days from Monday to Friday of the delivery month.

(3) The final settlement price for Phelix-Off-Peak-Month Futures contracts shall correspond to the mean value of all auction prices of the hourly contracts traded on the EEX Spot Market for the hours between 00:00 a.m. and 08:00 a.m. as well as 08:00 p.m. to 00:00 a.m. for all days from Monday to Friday, and the hours between 00:00 a.m. and 00:00 a.m - 24 hours later - on the weekend (Off-Peakload-Stunden) of the delivery month.

(4) If a price cannot be determined in accordance with aforementioned regulations or if the price so determined does not reflect the actual market conditions, the final settlement price shall be established by EEX and determined by Eurex Clearing AG. Eurex Clearing AG may also determine a deviating final settlement price.

~~2.6.3~~2.7.3 Fulfilment of Phelix and French-Base-Month- and Phelix and French-Peak-Month and Phelix-Off-Peak Futures Contracts

(1) Phelix and French-Base-Month-, ~~and~~ Phelix and French-Peak-Month Futures and Phelix-Off-Peak contracts shall only be fulfiled at the end of the respective delivery month.

(2) On the last trading day, positions shall be balanced by a net amount which is credited to or debited from the internal cash account of the Clearing Member pursuant to Chapter I Part 1 Number 4.3. The net amount shall be calculated on basis of the difference between the final settlement price and the daily settlement price of the previous day. For positions having been opened on the current trading day only, the net amount shall be calculated on basis of the difference between the final settlement price and the price of the transaction.

2.8 Sub-Part
Clearing of Futures Contracts on Power (Phelix and French-Base-Week- and Phelix and French-Peak-Week Futures)

The following subparts shall apply to the Clearing of Transactions in Futures Contracts on Power (Phelix and French-Base-Week and Phelix and French-Peak Futures and Phelix Off-Peak Futures Contracts) with financial fulfilment whose contract specifications are determined by EEX.

2.8.1 Final Settlement Price

(1) The final settlement price for Phelix and French-Base-Week Futures contracts shall correspond to the mean value of all auction prices of the hourly contracts traded on the EEX Spot Market for the hours between 00:00 a.m. and 00:00 a.m. - 24 hours later - for all days of the delivery month.

(2) The final settlement price for Phelix and French-Peak-Week Futures contracts shall correspond to the mean value of all auction prices of the hourly contracts traded on the EEX Spot Market for the hours between 08:00 a.m. and 08:00 p.m. for all days from Monday to Friday of the delivery month.

(3) If a price cannot be determined in accordance with aforementioned regulations or if the price so determined does not reflect the actual market conditions, the final settlement price shall be established by EEX and determined by Eurex Clearing AG. Eurex Clearing AG may also determine a deviating final settlement price.

2.8.2 Fulfilment of Phelix and French-Base-Week- and Phelix and French-Peak-Week-Futures Contracts

(1) Phelix and French-Base-Week- and Phelix and French-Peak-Week-Futures contracts shall only be fulfiled at the end of the respective delivery week.

(2) On the last trading day, positions shall be balanced by a net amount which is credited to or debited from the internal cash clearing account of the Clearing Member. The net amount shall be calculated on basis of the difference between the final settlement price and the daily settlement price of the previous day. For positions having been opened on the current trading day only, the net amount shall be calculated on basis of the difference between the final settlement price and the price of the transaction.

Part 3
Clearing of Options Contracts

The following subparts shall apply to the Clearing of Transactions in Options Contracts listed in the Contract Specifications of the European Energy Exchange and included in the clearing by Eurex Clearing AG.

3.1 Subpart General Provisions

The “General Provisions“ pursuant to Number 3.1 shall apply to all options contracts, provided no specific or other regulations deviating in comparison to the “General Provisions” are set forth.

3.1.1 General Obligations

(1) Derivatives transactions, in particular in form of options contracts which refer, amongst others, to emission rights or power, are traded on EEX. The settlement of such options contracts shall be effected in accordance with the provisions made in these Clearing Conditions regardless of the maturity of the contract.

(2) In case of execution and allocation of positions for the clearing of which they are responsible, Clearing Members shall effect payment, delivery or payment pursuant to the instructions of Eurex Clearing AG.

(3) Eurex Clearing AG shall notify each Clearing Member of the options contracts assigned to him during the morning of the Business Day after exercise.

~~3.2 Subpart Clearing of Options Contracts on European Carbon Futures Early Dec Contracts~~

~~The following subparts shall apply to the Clearing of Transactions in Options Contracts on European Carbon Futures Early Dec Contracts with physical delivery of emission rights whose contract specifications are determined by the EEX.~~

~~3.2.1 General Provision~~

~~According to the following provisions, the clearing of Options contracts shall be subject to the provisions for the clearing of options contracts until the assignment of the exercised options, and subject to the provisions for the clearing of futures contracts in Number 2.2 upon opening of the futures position pursuant to Number 3.2.3.~~

~~3.2.2 Options Premium~~

~~(1) The options premium to be paid by the purchaser of an options contract on European Carbon Futures Early Dec Contracts shall be paid until the point determined by Eurex Clearing AG on the Business Day after conclusion of the transaction, but in any case before beginning of the trading at EEX on the following Business Day. The seller of an options contract on European Carbon Futures Early Dec Contracts shall be credited for the premium on the same day.~~

~~(2) A daily reporting of the performance of options contracts on European Carbon Futures Early Dec Contracts shall not take place.~~

~~(3) Eurex Clearing AG shall settle the options premium with the Clearing Members, and the Clearing Members shall settle the premium with their affiliated Non-Clearing Members.~~

~~**3.2.3 Procedure upon Exercise of Option**~~

~~(1) In case of exercise of an options contract on European Carbon Futures Early Dec Contracts, the following paragraphs shall – for the purchaser and the seller – rule the opening of positions of the European Carbon Futures Early Dec Contracts underlying the option (underlyings) with the same maturity.~~

~~(2) In case of exercise of an options contract on European Carbon Futures Early Dec Contracts (option writer), the assignment of the seller shall be carried out on the exercise day by means of a procedure guaranteeing the neutrality of the assignment process. Partial assignments are admitted.~~

~~(3) For the EEX trading participant who exercises a buy option, an according long position in the underlying futures contract shall be opened with the agreed exercise price in the batch processing of the exercise day.~~

~~(4) For the EEX trading participant who is assigned exercise of a buy option, an according short position in the underlying futures contract shall be opened with the agreed exercise price in the batch processing of the exercise day.~~

~~(5) For the EEX trading participant who exercises a sell option, an according short position in the underlying futures contract shall be opened with the agreed exercise price in the batch processing of the exercise day.~~

~~(6) For the EEX trading participant who is assigned exercise of a sell option, an according long position in the underlying futures contract shall be opened with the agreed exercise price in the batch processing of the exercise day.~~

~~(7) If the EEX trading participant is no Clearing Member, Chapter I Part 1 Number 1.2.2 Paragraph (3)(b) and Chapter VII Number 1.3.1 Paragraph (1) and (2)shall apply accordingly in case of exercise and assignment of an option contract on European Carbon Futures Early Dec Contracts with regard to the opened futures position.~~

~~3.3~~3.2 Sub-Part
Clearing of Options Contracts on Phelix-Base Futures Contracts

The following provisions shall apply to the Clearing of Transactions in options contracts on Phelix-Base Futures contracts which refer to power, arrange for financial fulfilment and whose contract specifications are determined by the EEX.

~~3.3.1~~3.2.1 General Provision

The clearing of options contracts shall be subject to the following regulations until assignment of the exercised option according to the provisions for the clearing of options contracts; upon opening of the futures position according to Number 3.3.3, it shall be subject to the provisions for clearing of Phelix-Base Futures contracts in Number 2.4.

Insofar, however, the following applies: the daily settlement shall be balanced as difference between the execution price and the daily settlement price once on the execution day.

~~3.3.2~~3.2.2 Options Premium

The options premium to be paid by the buyer of an option contract on Phelix-Base Futures contracts with financial fulfilment shall be paid on the Business Day after transaction conclusion until the point in time specified by Eurex Clearing AG, in general, however, on the following Business Day before the start of trading on EEX. The seller of an options contract on Phelix-Base Futures contracts with financial fulfilment shall be credited the premium on the same day.

A daily booking of the change in the value of options contracts on Phelix-Base Futures contracts with financial fulfilment does not take place.

Eurex Clearing AG shall set off the options premium with the Clearing Members; the Clearing Members in turn shall set off the premium with their affiliated Non-Clearing Members.

~~3.3.3~~3.2.3 Procedure with Execution of the Option

(1) When executing an options contract, positions in the futures underlying the option (underlyings) with the same maturity shall be opened for the buyer and seller according to the following paragraphs:

a) Phelix-Base-Month OptionUnderlying	Phelix-Base-Month Futures
b) Phelix-Base-Quarter OptionUnderlying	Phelix-Base-Quarter Futures
c) Phelix-Base-Year Option Underlying	Phelix-Base-Year Futures

(2) The seller of an options contract (option writer) is assigned upon exercising on the exercise day by means of a procedure ensuring the neutrality of the assignment procedure. Partial assignments shall not be permissible.

(3) During batch processing on the exercise day, a respective long position is opened in the underlying futures contract at the exercise price agreed upon for the EEX trading participant who exercises a buy option.

(4) During batch processing on the exercise day, a corresponding short position is opened in the underlying futures contract at the exercise price agreed upon for the EEX trading participant to whom exercising of a buy option is assigned.

(5) During batch processing on the exercise day, a respective short position is opened in the underlying futures contract at the exercise price agreed upon for the EEX trading participant who exercises a sell option.

(6) During batch processing on the exercise day, a corresponding long position is opened in the underlying futures contract at the exercise price agreed upon for the EEX trading participant to whom exercising of a sell option is assigned.

(7) In case the EEX trading participant is not a Clearing Member, Number 1.3.1 Paragraph (1) and (2) shall apply accordingly in exercising and assigning of an options contract on Phelix-Base Futures contracts with regard to the opened futures position.

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