X-pand into the Future

e u r e x *circular 026/05*

Date: Frankfurt, February 25, 2005
Recipients: All Eurex members and vendors
Authorized by: Peter Reitz

Introduction of Futures Contracts on the MDAX® Index

Contact: Ralf Huesmann (Product Design Equity Derivatives): Tel. +49-69-211-1 54 43
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Content may be most important for:

➲ All Departments

Attachments:

1. Contract Specifications for Futures Contracts and Options Contracts at Eurex Deutschland and Eurex Zürich, new subpart 1.4: MDAX® Futures
2. Designated Market Maker Application Form – Index Futures
3. Designated Market Maker Quote Obligations – Index Futures
4. Conditions for Utilization of the OTC Trade Entry Facilities (General Conditions for Participation)
5. Acceptance of the General Conditions for Utilization of the OTC Trade Entry Facilities
6. Declaration Agreement of the General Clearer for Utilization of the OTC Trade Entry Facilities

Summary:

At their meeting on February 9, 2005 the Management Boards of the Eurex Exchanges made the following decisions:

1. To introduce futures contracts on the MDAX® Index, the international mid-cap index of Deutsche Börse AG;

2. To introduce Designated Market Making for the new futures contracts.

The introduction will take place on **Monday, March 21, 2005.**

Introduction of Futures Contracts on the MDAX® Index

1. Introduction Date

At their meeting on February 9, 2005 the Management Boards of the Eurex Exchanges decided to introduce futures contracts on the MDAX® Index, the international mid-cap index of Deutsche Börse AG.

The introduction date will be Monday, March 21, 2005.

2. Product Code

			Underlying Index	
Product	**Code**	**ISIN**	**Code**	**ISIN**
MDAX® Futures	**F2MX**	**DE000A0BRCY6**	**MDAX**	**DE0008467416**

3. Margin Parameters

Product	Margin Group	Margin Class	Products in Class	Parameters
MDAX® Futures	**none**	**MDAX**	**F2MX**	413 points (EUR 2,065.00) EUR 25.00 (Back Month) EUR 25.00 (Front Month)

4. Contract Specifications

The contract specifications are as follows:

Underlying	MDAX® Index (F2MX).
Contract Value	EUR 5 per MDAX® index point.
Delivery	Delivery by cash settlement based on the final settlement price and due on the first Exchange trading day after the Last Trading Day.
Price Determination	In points, **with one decimal place**
Minimum Price Change	1 point; this is equivalent to a value of EUR 5.
Expiration Months	The next three quarter months of the March, June, September and December cycle.
Last Trading Day	The third Friday of the corresponding expiration month, if this is an Exchange trading day; otherwise the preceding Exchange trading day. Close of trading for the futures contracts due shall be the beginning of the call phase of the intraday auction in the electronic trading system of Xetra® at 13:00 CET.
Daily Settlement Price	The closing price set in the closing auction. If it is not possible to determine a closing price during the closing auction or if the price determined does not reflect current market conditions, then the daily settlement price will be determined by the price of the last trade made during the final 15 minutes of continuous trading on an Exchange trading day. If it is not possible to determine a price according to this regulation, or should the price so determined not reflect current market conditions, Eurex will set the settlement price.
Final Settlement Price	The value of the MDAX®, determined on the basis of prices of the shares contained in MDAX® during the intraday auction. On the last trading day the intraday auction will take place in the electronic trading system of Xetra®and will start at 13:00 CET.

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Customer Support
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Management Board:
Rudolf Ferscha (CEO), Jürg Spillmann,
Daniel Gisler, Thomas Lenz,
Peter Reitz

Please see attachment 1 for full details of the contract specifications.

The market order matching range for MDAX® Index Futures will be set to ten points, corresponding to ten ticks or EUR 50.

5. Trading Times*

	Pre-Trading	Trading**	Post-Trading
MDAX® Future	07:30-08:50	08:50-20:00	20:00-20:30**

* All times are CET; ** In the expiring contract until 13:00 on the Last Trading Day

6. Transaction Fees

Transaction fees for trading with **MDAX® Index Futures** will be EUR 0.30 per contract for matching order book transactions and EUR 0.45 per contract for recording OTC transactions.

7. Designated Market Making

Eurex members, who are Designated Market Makers, undertake to make continuous quotes for a specified minimum number of contracts within maximum spread limits and for a fixed length of time.

In return, Eurex trading and clearing fees for contracts concluded by the Designated Market Maker on the M-accounts will be reimbursed.

Designated Market Making will only be possible until September 30, 2005. Please see attachment 3 for details of the Designated Market Making program and the exact parameters involved.

Members interested in participating are requested to complete the Designated Market Maker Application Form (attachment 2) and return it to Eurex for the attention of Ralf Huesmann, fax: +49-69-211-61 54 43.

8. Block Trading Admission

MDAX® Index Futures will be admitted to Block Trading with a minimum block trade size of **250 contracts**. Section 9.2 of the General Conditions for Utilization of the OTC Trade Entry Facility has been amended accordingly (please see attachment 4).

Members who are already registered for Block Trading and/or Vola Trading may use the Block Trade Facility for the new MDAX® Index Futures without any further action.

Members wishing to participate in the OTC Trade Entry Facilities for the first time should confirm their acceptance of the General Participation Conditions (attachment 4) by signing attachment 5 and returning it to Eurex. In addition, where the member firm is a Non-Clearing Member, its General Clearer must sign and return the General Clearer's Agreement (attachment 6) at the same time.

9. Transaction Limits

The same limits as for existing DAX® products will apply.

For the current transaction limits please refer to the Eurex website **www.eurexchange.com** under **Products > Equity Index Products > DAX®** .

10. Mistrade Parameters

In accordance with section 3.1 of the Implementation Regulations for the Handling of Erroneous Entries at Eurex Deutschland and Eurex Zürich, the interval to determine a significant deviation from the reference price for futures on the MDAX® Index shall be set to 20 percent of the margin parameter, as with all other futures traded at Eurex.

11. Vendor Codes

At the start of trading, the Vendor Codes will be published on the Eurex website **www.eurexchange.com** under **Product > Vendor Product Codes**.

12. Guide to MDAX® Index

A detailed description of the MDAX® Index and of its present composition can be found on the website of Deutsche Börse AG **www.deutsche-boerse.com > Market Data & Analytics > Indices + Index Licenses.**

13. Preparations before the Start of Trading

- The new MDAX® Index Futures as well as the corresponding margin classes will be set up in the Eurex® Trading System on March 15, 2005 (Tuesday). The corresponding back office transactions will be transmitted electronically.
- Settlement prices for all contract months of the MDAX® Index Futures will be sent from March 16, 2005 (Wednesday) until March 18, 2005 (Friday). In addition, transactions for the PMI file will be generated. As part of the daily transmission of theoretical prices, theoretical prices for MDAX® Index Futures will also be transmitted after 20:30 CET. Please disregard these.

Trading in MDAX® Index Futures will start on March 21, 2005 (Monday). Orders and quotes can be entered in the Eurex system from 07:30 CET onwards.

Frankfurt, February 25, 2005

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1.4 Subpart: Specifications for Futures Contracts on the MDAX® Index (MDAX® Futures)

1.4.1 Subject Matter of Contract

(1) An MDAX® Future is a futures contract on the MDAX® Index (performance index). The publications of the Deutsche Börse AG shall determine the composition, weighting and calculation of the MDAX®. The value of a contract shall be EUR 5 per index point.

(2) After the close of trading in the contract, the seller of an MDAX® Future shall pay in cash any difference between the agreed price and the higher final settlement price. The purchaser of an MDAX® Future shall pay in cash any difference between the agreed price and the lower final settlement price.

The final settlement price shall be determined by the Eurex Exchanges on the final settlement day for a contract (subsection 1.4.2 paragraph (2) sentence 2) according to the value of the MDAX® based on the auction prices for the securities included in the MDAX® fixed by the electronic trading system of the Frankfurt Stock Exchange (Xetra) during an intra-day auction determined by the Boards of Management of the Eurex Exchanges.

(3) If any changes are made in the calculation of the MDAX® or its composition and weighting such that the concept of the MDAX® appears to be no longer comparable with the concept that applied when a futures contract was admitted to trading, the Boards of Management of the Eurex Exchanges may order the termination of trading in such contract as of the last trading day prior to the change in the MDAX®. Open positions shall be settled in cash upon the termination of trading. The final value of the MDAX®, calculated on the basis of the auction prices for the securities included in the MDAX® fixed by the electronic trading system of the Frankfurt Stock Exchange (Xetra) during an intra-day auction determined by the Boards of Management of the Eurex Exchanges, shall be used. New contracts shall be introduced in accordance with subsection 1.4.2.

1.4.2 Term, Close of Trading

(1) Terms expiring on the final settlement day of the next, the second succeeding and the third succeeding quarter-end months (March, June, September, December) are available for trading at the Eurex Exchanges.

(2) The last trading day of a contract shall be the final settlement day. The final settlement day shall be the third Friday of the relevant quarter-end month; provided, however, that if such Friday is not an Exchange day, the last trading day

prior to such Friday shall be the final settlement day. Trading shall close upon the start of the call phase of the intra-day auction in the electronic trading system of the Frankfurt Stock Exchange (Xetra) as determined by the Boards of Management of the Eurex Exchanges.

1.4.3 Price Gradations

The price of a contract shall be quoted in points with one decimal place. The minimum change in price ("Tick") shall be 1 point (EUR 5.00).

1.4.4 Performance, Cash Settlement

(1) The performance day shall be the Exchange day after the last trading day of the contract.

(2) Contracts shall be performed by cash settlement between the Clearing Members. Each Clearing Member shall be responsible for handling the cash settlements with the Non-Clearing Members served by it and its own customers; the handling of cash settlements by Non-Clearing Members to their customers is the responsibility of the Non-Clearing Members.

Application Form - Designated Market Making Scheme

To Eurex
Product Design Equity/Index
Ralf Huesmann
Neue Börsenstraße 1

60487 Frankfurt am Main

Fax no.: +49-69-211-61 54 43

Application for the Status of Designated Market Maker in Futures on the MDAX® Index

1. We _____
(name of member)

herewith apply for the status of Designated Market Maker in the following contract

Product	**Eurex Code**	**Please tick your interest ✓**
MDAX® Futures	F2MX	☐ yes

for the period from March 21, 2005 until September 30, 2005 in accordance with the terms and conditions stated in the Quote Obligations (attachment 3).

2. As a Designated Market Maker

a) we will provide bid and ask quotes on both sides of the market

- for the minimum number of contracts specified in the quote obligations
- in compliance with the Maximum Spreads (see Quote Obligations); and
- for the period of time specified in the Quote Obligations (also, and in particular, on a daily basis at the beginning of trading and at the end of trading in the contract and in response to quote requests)

b) we will give you the name of a manager who has the authorization and expertise necessary to make decisions and act as the coordinator in our firm, who will be available for Eurex with respect to this agreement;

c) we will ensure that a Eurex trading screen and a qualified trader are available for Designated Market Making; and

d) we will inform Eurex within one business day in the event that we find ourselves no longer in a position to fulfill these obligations.

3. Eurex will in return

   a) mention the name of the Eurex member with the Designated Market Maker status in advertising and informative material in connection with the contracts;

   b) make Eurex spokesmen and printed material available for seminars organized by the Designated Market Makers regarding the index futures; and

   c) refund all trading and clearing fees for the contracts traded by the Designated Market Makers on M-accounts up to September 30, 2005. The refund for the respective month will be calculated at the beginning of the subsequent month. No refunds will be made if **MDAX®** Futures are traded on A- or P-accounts or if the Quote Obligations are not fulfilled.

4. Compliance with the obligations stated under No. 2 shall be monitored by Eurex.

   In the event that the obligations stated under No. 2 are not met by us, Eurex shall have the right to terminate the agreement and to publicly disclose the termination of the Designated Market Maker status at Eurex' discretion. In this case, Eurex shall be released from its obligations pursuant to No. 3 with immediate effect.

5. In the event of a significant change in the Contract Specifications for the contract or due to a revision of the law or rules with respect to the contract, we as well as Eurex have the right to terminate this agreement with immediate effect or to renegotiate the requirements indicated in paragraph 2 and/or in the associated Quote Obligations.

6. Eurex shall have the right to amend or expand one or more of the conditions laid down in this agreement for limited periods of time at its sole discretion with validity for all Designated Market Makers, if it deems this appropriate (for example, in circumstances which lead to high market volatility or if such amendments or expansion is not expected to have an adverse effect on market quality). In the event that Eurex amends or expands one or more conditions, the Designated Market Makers must, for their part, ensure that the Designated Market Makers can also be promptly advised that this situation has ceased to exist.

7. Other than the aforementioned measures, no special status at Eurex shall be accorded to the participant in conjunction with the Designated Market Maker status, which expires on September 30, 2005. After that time, the title "Designated Market Maker" can no longer be used unless otherwise agreed with Eurex.

9. The associated Quote Obligations (attachment 3) are an integral part of this application.

SHOULD BE FILLED OUT BY THE PERSON DESIGNATED IN ACCORDANCE WITH PARAGRAPH 2. b)

_____
Place, date

_____ _____
Name Position

_____ _____
Phone Fax

_____	_____
(Signature / Stamp of the firm)	E-mail address

Please send the completed application for the status of Designated Market Maker to the indicated fax number.

Designated Market Maker Scheme for the Future on the MDAX® Index

Quote Obligations

Eurex Code:	**F2MX**
Minimum Size:	25 contracts on the bid and ask side, only in the series with the nearest expiration (Front Month)
Maximum Spread:	15 index points The spread classification will be reviewed on a monthly basis.
Quotation Period:	90 percent of the daily trading period between 08:50 and 17:30 (CET) on a monthly average
Designated Market Maker Fees:	March 21, 2005 up to the September 30, 2005 Total refund of trading and clearing fees for contracts traded on M-accounts

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

1 Scope of Application

Eurex Clearing AG provides the following OTC Trade Entry Facilities, pursuant to the Conditions in their respective valid version as set out below for the Utilization of the OTC Trade Entry (the "General Conditions for Participation"), to companies which, pursuant to the provisions of the Exchange Rules for Eurex Deutschland and Eurex Zürich, are admitted to options and futures trading at the Eurex Exchanges and which participate, directly or indirectly, in the clearing procedure for transactions on the Eurex Exchanges ("Participants"):

- Exchange for Physicals Trade Facility
- Exchange for Swaps Trade Facility (hereinafter "EFS")
- Block Trade Facility
- Vola Trade Facility

2 Subject Matter

2.1 Exchange for Physicals Trades

2.1.1 Within the Exchange for Physicals ("EFP") scope of transactions concluded off-exchange concerning the simultaneous purchase of a debt security as defined in section 10 and the sale of futures contracts, or vice versa, the Trade Facility provides Participants, for their own account or on behalf of a customer, with the possibility to enter, pursuant to the provisions set out below, the futures contracts into the Eurex® clearing system of Eurex Clearing AG (hereinafter, "Eurex Clearing System") by means of a request to be sent to the respective Participant's interface, and to have them cleared. In future, Eurex Clearing AG may include additional contracts in the EFP Trade Facility, or may exclude previously included contracts.

2.1.2 An EFP Trade within the meaning of these General Conditions for Participation shall have occurred if a Participant, for its own account or on behalf of a customer, has agreed, off-exchange, with another Participant or with another customer, on the purchase/sale of futures contracts and, simultaneously, on the sale/purchase of debt securities as defined in section 10, provided that the specifications of such futures contracts are identical to the contract specifications set forth in the Contract Specifications for Futures Contracts and Options Contracts at Eurex Deutschland and Eurex Zürich (hereinafter the "Eurex Contract Specifications"), and provided that Eurex Clearing AG has admitted these futures contracts to the Basis Trade Facility pursuant to section 9.1 of these Conditions. Furthermore, the contract price of Basis Trades must fulfil the requirements set out in section 5 of these General Conditions for Participation.

2.2 Exchange for Swaps ("EFS")

2.2.1 The EFS Trade Facility provides Participants with the possibility to enter, pursuant to the provisions set out below, futures contracts into the Eurex® clearing system concluded off-exchange for their own account or on behalf of a customer, which concern the

simultaneous transaction of a receiver/payer swap as defined in section 11 and the sale/purchase of futures contracts, by means of a request to be sent to the respective Participant's interface, and to have them cleared. In future, Eurex Clearing AG may include further contracts into the EFS Facility or exclude any contracts included so far.

2.2.2 An ”EFS trade” within the meaning of these General Conditions for Participation exists, if a Participant, for its own account or on behalf of a customer, has agreed, off-exchange, with another Participant or with another customer to purchase/sell a futures contract and to conclude simultaneously a fixed rate payer/fixed rate receiver swap as defined in section 11, provided that the specifications of such futures contract are identical to the contract specifications set forth in the Contract Specifications for Futures Contracts and Options Contracts at Eurex Deutschland and Eurex Zürich, and that Eurex Clearing AG has admitted this futures contract to the EFS Facility pursuant to section 9.1 of the present Conditions. Furthermore, the contract price of EFS trades must fulfill the requirements set out in section 5 of the present Conditions.

2.3 Block Trades

2.3.1 The Block Trade Facility provides Participants, for their own account or on behalf of a customer, with the possibility to enter, pursuant to the provisions set out below, transactions concluded off-exchange concerning futures and options contracts which are tradable on Eurex and which are admitted to the Block Trade Facility pursuant to section 9.2, into the Eurex Clearing System by means of a request to be sent to the respective Participant's interface, and to have them cleared. In future, Eurex Clearing AG may include additional contracts in the Block Trade Facility, or may exclude previously included contracts.

2.3.2 A "Block Trade" within the meaning of these Conditions shall have occurred if a Participant, for its own account or on behalf of a customer, has agreed, off-exchange, with another Participant or another customer, on the purchase/sale of one or more of the products set out in section 9.2, provided that the number of contracts is not less than the minimum number specified in section 9.2, and provided further that the specifications of such contracts correspond to the contract specifications for these products pursuant to the Eurex Contract Specifications. Furthermore, the contract price of Block Trades must fulfil the requirements set out in section 5 of these General Conditions for Participation.

2.4 Vola Trades

2.4.1 After conclusion of an options transaction which exists in the Eurex Clearing System with a transaction number, the Vola Trade Facility provides Participants, for their own account or on behalf of customers, with the possibility to enter, pursuant to the provisions set out below, transactions concluded off-exchange concerning futures contracts pursuant to the combinations defined in section 9.3, into the Eurex Clearing System by means of a request to be sent to the respective Participant's interface, and to have them cleared. In future, Eurex Clearing AG may include additional contracts in the Vola Trade Facility, as well as exclude previously included contracts.

2.4.2 A "Vola Trade" within the meaning of these Conditions shall have occurred if, in a first step, a Participant, for its own account or on behalf of a customer, has concluded an on-exchange or off-exchange options transaction with another Participant or another customer, and such transaction has been entered into the Eurex Clearing System, and if, simultaneously or in a second step, such parties have agreed on the off-exchange purchase/sale of the futures contract underlying the options transaction or of the futures contracts of the underlying instrument underlying the options contract pursuant to the combinations defined in section 9.3, and the characteristics of such contracts correspond to the relevant contract specifications of the Eurex Contract Specifications. Furthermore, the contract price of Vola Trades must fulfil the requirements set out in section 5 of these General Conditions for Participation.

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. Furthermore, Participants are obligated to provide evidence upon request of Eurex Clearing AG that an OTC Trade had immediately been entered into the Eurex Clearing System pursuant to sentence 1.

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.

4 Evidence of Cash Transactions in the Case of Utilization of the EFP Trade Facility and the EFS Trade Facility

4.1 Participants using the EFP Trade Facility or the EFS Trade Facility are obliged to provide evidence to Eurex Clearing AG that, for futures contracts cleared on their behalf, there is an underlying, offsetting cash transaction in one of the debt securities or respectively swaps defined in accordance with section 10 respectively section 11.

4.2 Concerning the EFP Trade Facility, Participants shall be deemed to have fulfilled their obligation to provide evidence pursuant to 4.1 above, provided that they authorize Eurex Clearing AG to gain knowledge of the underlying cash transaction or the completed delivery, as the case may be, by means of respective authorizations. By means of a written declaration, the following institutions can be authorized to provide information to Eurex Clearing AG, on request, concerning the cash transaction which is the subject of a EFP Trade according to section 2.1 of these General Conditions:

- Clearstream Banking Frankfurt and/or
- Clearstream Banking Luxembourg and/or
- Isma, Zürich and/or
- SIS SegaInterSettle AG Zürich

4.3 Regardless of section 4.2 above, such proof must be effected on demand of Eurex Clearing AG by means of presentation of the corresponding confirmation of delivery within one week of the value date of such cash transaction. The transaction reference number and the transaction date of the futures transaction related to such cash transaction must be evident in such confirmation of delivery.

4.4 Concerning the EFS Trade Facility, Participants shall be deemed to have fulfilled their obligation to provide evidence pursuant to section 4.1 above, if, upon request of Eurex Clearing AG, they provide a trade confirmation for the underlying swap transaction. This confirmation in the form of a transaction ticket (i.e. a snapshot of the front-office or back-office system of the buyer of the EFS futures) shall contain at least:

- nominal value
- date of start and maturity
- fixed coupon
- counterparties of the Swap transaction
- EFS trade reference number of the Eurex system

- time stamp

4.5 If a transaction in futures contracts is transferred to another Participant pursuant to section 3.5 of these General Conditions for Participation, the obligation to provide evidence of the cash transaction shall also be transferred to the other Participant.

5 Contract Price of OTC Trades

5.1 The contract price of OTC Trades entered into the Eurex Clearing System using one of the OTC Trade Entry Facilities must lie within an interval determined by Eurex Clearing AG pursuant to subsection 5.2 and 5.3:

5.2 As a general rule, the interval for futures contracts is between the daily high and low prices of the respective futures contracts recorded on the Eurex Exchanges on the respective exchange trading day, up to the time of entry of an OTC Trade. When calculating the interval for futures contracts on stock indices, in each case a maximum deviation of up to 0,2 percent of the recorded daily high and low prices recorded on that trading day for the futures contract on a stock index is permitted.

5.3 For options contracts, theoretical maximum and minimum values for the option price of a Block Trade are determined during the trading day on the basis of the daily high and low prices of the respective underlying instrument, as recorded up to the time of entry of the Block Trade, and the respective implied volatilities established within the options market of the Eurex Exchanges. The interval thus determined is extended at its extreme values by 50 per cent of the maximum Market Maker Quote Spread permissible for the respective product, resulting in the range of permissible option prices for Block Trades. If contracts are entered within the scope of options strategies and options volatility strategies, sentence 1 and 2 shall apply provided that not the price of the respective options strategy or options volatility strategies shall be considered but the price of the appropriate underlying.

6 General Conditions of Utilization

6.1 The utilization of at least one of the OTC Trade Facilities requires that Participants have accepted, in writing, the General Conditions for Participation. In the case of Participants not admitted to clearing pursuant to the Clearing Conditions of Eurex Clearing AG (the “Clearing Conditions”), such Participants must provide a declaration of their clearing institution by which such clearing institution guarantees to Eurex Clearing AG the fulfillment of transactions entered into the Eurex Clearing System using the corresponding OTC Trade Facility, pursuant to the Clearing Conditions, and to undertake any and all obligations for the collateralization of transactions resulting therefrom.

6.2 Eurex Clearing AG may exclude Participants from the utilization of one or more OTC Trade Facilities if such Participants have not complied with their obligations pursuant to

these Conditions for Participation or if the prerequisites for participation have not been fulfilled initially, or have subsequently ceased to exist. In this case, such Participants shall have no claims towards the refund of costs, charges or any other damages.

6.3 Participants are permitted to utilize the OTC Trade Entry Facilities for futures and options contracts which are admitted to the OTC Trade Entry Facilities during the respective trading periods at the Eurex Exchanges and during the Post-Trading-Full-Period until no later than thirty minutes before the end of the Post-Trading-Full-Period ("OTC Period of Use"). Participants are obligated to comply with the position limits by applying subsection 4.7 of the Exchange Rules for Eurex Deutschland and Eurex Zürich. Participants shall be notified by Eurex Clearing AG in due time of any exceptions to the provisions in sentence 1.

6.4 Participants must be available by telephone or fax at any time during the business hours of OTC Trade Entry Facilities. The business hours shall correspond to the OTC Period of Use of the products underlying the respective OTC Trade Entry Facilities.

6.5 Eurex Clearing AG is entitled to demand from all national and international Participants, at any time, information and evidence as far as necessary for the examination of the obligations Participants are subject to according to these General Conditions for Participation. Furthermore, all Participants are obligated to grant the right to Eurex Clearing AG or its representatives to enter their premises in order to verify, at any time, the compliance with the provisions of such General Conditions for Participation.

7. Technical Features

7.1 The entry of EFP, EFS or Block Trades into the Eurex Clearing System is carried out by the buyer of the futures or options contracts in the context of the EFP-Fin, EFS and Block Trade Entry Facility. The seller of the futures or options contracts must confirm the buyer's entry.

7.2 The entry of Vola Trades into the Eurex Clearing System in the context of the Vola Trade Entry Facility is carried out by the buyer or seller of the Vola Trade (the "Initiator"). The counterparty must confirm the entries of the Initiator.

7.3 OTC Trades may be entered onto Principal, Agent and M-position Accounts.

8 Mandatory Data Entries

8.1 EFP Trade Facility (OTC EFP-Fin Trade Entry window)

8.1.1 When entering a Basis Trade into the Eurex Clearing System, using the EFP-Fin Trade Entry Facility, the buyer must enter the following data:

- ISIN, nominal value, cash transactions, coupon, coupon frequency as well as settlement and due date of the debt security traded; should the security already exist in the Eurex System, merely ISIN, nominal value, cash transactions as well as settlement date need to be entered while the other fields are automatically completed by the Eurex System.
- the future contract traded (Instrument, delivery month and year)
- the contract price;
- the number of contracts;
- the Eurex exchange system user identification code of the trader of the buyer;
- the open/close indicator;
- the position account
- the hedging method
- the settlement institution
- the seller's Participant ID code for the Eurex exchange system

Depending on the chosen hedging method, the number of contracts of the Basis Trade Future must be in a defined proportion to the nominal value of the debt security. The relation between the futures and the debt security is defined according to the chosen Nominal, Duration, or Price Factor hedging method.

8.1.2 After the buyer has entered data into the Eurex Clearing System using the EFP-Fin Trade Entry Facility, pursuant to section 8.1.1, the seller of futures contracts must enter the following data in order to confirm such EFP Trade:

- the OTC transaction reference number;
- the Eurex exchange system user identification code of the trader of the seller
- the open/close indicator; and
- the position account.

8.2 EFS Trade Facility (OTC EFS Trade Entry window)

8.2.1 When entering an EFS futures contract into the Eurex Clearing System by means of the EFS Trade Facility, the buyer of the EFS futures contracts (Fixed Rate Payer in the swap transaction) must enter the following data:

Nominal value, fixed interest rate, interest rate payment frequency as well as settlement, start and end date of the swap transaction

- the futures contract traded (instrument, delivery month and year)
- the contract price;
- the number of contracts;
- the Eurex system user identification code of the buyer's trader
- the open/close indicator
- the position account
- the user identification code of the seller for the system of the Eurex exchanges.

The number of traded futures contracts must be in a defined proportion to the nominal value of the swap transaction. The relation between the futures contract and the swap transaction is defined according to the Duration method.

8.2.2 After the buyer has entered data into the Eurex Clearing System by means of the EFS Trade Facility pursuant to section 8.2.1, the seller of the EFS futures contracts (Fixed Rate Receiver in the swap transaction) must confirm the EFS Trade by entering the following data:

- the OTC transaction reference number
- the Eurex system user identification code of the seller's trader
- the open/close indicator
- the position account.

8.3 Block Trade Facility (OTC Block Trade Entry window)

8.3.1 When entering a Block Trade into the clearing system of Eurex Clearing AG, using the Block Trade Facility, the buyer must enter the following data:

- the future contract traded (instrument, delivery month and year) or the option contract traded (instrument, expiration month and year, exercise price, C/P-flag and version number)
- the contract price;
- the number of contracts;
- the Eurex system user identification code of the trader of the buyer;
- the open/close indicator;
- the position account; and
- the Eurex exchange system Participant ID code of the seller.

The number of contracts of the futures or options contracts traded may not be below the minimum number of contracts to be traded, as defined in section 9.2 of these General Conditions. As far as contracts are entered using the facility for options strategies or options volatility strategies and if such contracts are admitted for the Block Trade Facility, the aforesaid provision shall apply respectively.

8.3.2 After the buyer has entered data into the Eurex Clearing System using the Block Trade Facility, pursuant to section 8.3.1, the seller of a Block Trade must enter the following data in order to confirm such Block Trade:

- the OTC transaction reference number;
- the Eurex exchange system user identification code of the trader of the seller;
- the open/close indicator; and
- the position account.

8.4 Vola Trade Facility (OTC Vola Trade Entry window)

8.4.1 When entering a Vola Trade into the clearing system of Eurex Clearing AG, using the Vola Trade Facility, the Initiator must enter the following data:

- the transaction number of the referring option trade
- number of the option contracts of the Vola trade (not exceeding the maximum number of options contracts of the underlying options transaction)
- details of the future contract traded (instrument, delivery month and year) as well as the number of contracts and the contract price;
- the Eurex exchange system user identification code of the trader of the Initiator;
- the buy/sell flag;
- the open/close indicator;
- the position account; and
- the Eurex exchange system Participant ID code of the counterparty.

The number of futures contracts traded may not deviate by more than 10% from the number of futures contracts required to achieve a delta-neutral position in relation to the number of options contracts entered in the Vola trade, as calculated by the system.

8.4.2 After the Initiator's data entry into the clearing system using the Vola Trade Facility pursuant to section 8.3.1 above, the counterparty to the Vola Trade must enter the following data in order to confirm such Vola Trade:

- the OTC transaction reference number;
- the Eurex exchange system user identification code of the trader of the counterparty;
- the open/close indicator; and
- the position account.

9 Admitted Products

9.1 Eurex Clearing AG has admitted the following products to the EFP Trade Facility and to the EFS Trade Facility:

- Futures Contracts on a Notional Extra Long-Term Debt Security of the Federal Republic of Germany (“FGBX Futures“)
- Futures Contracts on a Notional Long-Term Debt Security of the Federal Republic of Germany (“FGBL Futures“)
- Futures Contracts on a Notional Medium-Term Debt Security of the Federal Republic of Germany (“FGBM Futures“)
- Futures Contracts on a Notional Short-Term Debt Security of the Federal Republic of Germany (“FGBS Futures“)
- Futures Contracts on a Notional Long-Term Debt Security of the Swiss Confederation ("CONF Futures")

9.2 Eurex Clearing AG has admitted the following products to the Block Trade Facility even if they had been entered within the scope of options strategies or options volatility strategies:

Product	**Minimum number of tradable contracts**
Options Contracts on the DAX® (ODAX)	500
Options Contracts on the Tec DAX® (OTDX)	1,000
Options Contracts on the SMI® (OSMI)	500
Options Contracts on the OMXH25 (OFOX)	250
Options Contracts on the Dow Jones EURO STOXX 50**SM** (OESX)	1,000
Options Contracts on the Dow Jones STOXX 50**SM** (OSTX)	1,000
Options Contracts on the Dow Jones Italy Titans 30SM Index (O1TA)	500
Options Contracts on the Dow Jones Global Titans 50SM (OGTI)	1,000
Options Contracts on the Dow Jones EURO STOXX**SM** Sector Indices	250
Options Contracts on the Dow Jones STOXX**SM** 600 Market Sector Indices	250
Options Contracts on the Exchange Traded Funds:- DAX EX (EXS1), DJ EURO STOXX 50 EX (EXW1), DJ EURO STOXX 50 LDRS (EUN2), Fresco DJ EURO STOXX 50 (FRC1), XMTCH on SMI (XMT)	1,000
Options Contracts on a Euro BUND Future (OGBL)	50
Options Contracts on a Euro BOBL Future (OGBM)	50
Options Contracts on a Euro SCHATZ Future (OGBS)	50
Options Contracts on Stocks of German Stock Corporations (OSTK)	250

Product	Minimum number of tradable contracts
Options Contracts on Stocks of Swiss Stock Corporations (OSTK)	250
Options Contracts on Stocks of Finnish Stock Corporations (OSTK)	250
Options Contracts on Stocks of Dutch Stock Corporations (OSTK)	250
Options Contracts on Stocks of Italian Stock Corporations (OSTK)	250
Options Contracts on Stocks of French Stock Corporations (OSTK)	250
Options Contracts on Stocks of Corporations listed on TecDAX	250
Options Contracts on Stocks of US-American Stock Corporations (OSTK)	250
Futures Contracts on a Notional Particularly Long-Term Bond of the Federal Republic of Germany (Euro BUXL Futures; FGBX)	100
Futures Contracts on a Notional Long-Term Debt Security of the Federal Republic of Germany (Euro BUND Futures; FGBL)	2,000
Futures Contracts on a Notional Medium-Term Debt Security of the Federal Republic of Germany (Euro BOBL Futures; FGBM)	3,000
Futures Contracts on a Notional Short-Term Debt Security of the Federal Republic of Germany (Euro SCHATZ Futures; FGBS)	4,000
Futures Contracts on a Notional Long-Term Debt Security of the Swiss Confederation (CONF Futures; CONF)	500
Futures Contracts on the Interest Rate for Three-Month Cash Deposits in Euro (Three-Month Euribor Future; FEU3)	100

Product	Minimum number of tradable contracts
Futures Contracts on the Monthly Average of Effective Interest Rates for Overnight Deposits in the Inter-bank Euro Market, EONIA (One-month EONIA Future; FEO1)	100
Futures Contracts on the Dow Jones STOXX 50**SM** Index (FSTX)	250
Futures Contracts on the Dow Jones EURO STOXX^{SM} Market Sector Indices	250
Futures Contracts on the Dow Jones STOXX^{SM} 600 Market Sector Indices	250
Futures Contracts on the DAX® Index (FDAX)	250
Futures Contracts on the TecDAX® Index (FTDX	1,000
Futures Contracts on the Dow Jones EURO STOXX 50^{SM} Index (FESX)	1,000
Futures Contracts on the SMI® Index (FSMI)	500
Futures Contracts on the OMXH25 Index (FFOX)	250
Futures Contracts on the Dow Jones Global Titans 50^{SM} Index (FGTI)	1,000
Futures Contracts on the Dow Jones Italy Titans 30^{SM} Index (F1TA)	500
Futures Contracts on the MDAX® Index (F2MX)	250

9.3 Eurex Clearing AG has admitted the following product combinations to the Vola Trade Facility:

Options Contract	Futures Contract
Options Contracts on the DAX® (ODAX)	Futures contracts on the DAX® (FDAX)
Options Contracts on the TecDAX® (OTDX)	Futures contracts on the TecDAX® (FTDX)
Options Contracts on the SMI® (OSMI)	Futures Contracts on the SMI® (FSMI)

Options Contract	Futures Contract
Options Contracts on the OMXH25 (OFOX)	Futures Contracts on the OMXH25 (FFOX)
Options Contracts on the Dow Jones Euro STOXX 50^{SM} (OESX)	Futures Contracts on the Dow Jones Euro STOXX 50^{SM} (FESX)
Options Contracts on the Dow Jones STOXX 50^{SM} (OSTX)	Futures Contracts on the Dow Jones STOXX 50^{SM} (FSTX)
Options Contracts on the Dow Jones EURO STOXX^{SM} Market Sector Indices	Respective Futures Contracts on the Dow Jones EURO STOXX^{SM} Market Sector Indices
Options Contracts on the Dow Jones STOXX^{SM} 600 Market Sector Indices	Respective Futures Contracts on the Dow Jones STOXX^{SM} 600 Market Sector Indices
Options Contracts on the Dow Jones Global Titans 50^{SM} (OGTI)	Futures Contracts on the Dow Jones Global Titans 50^{SM} (FGTI)
Options Contracts on a Euro-BUND-Future (OGBL)	Futures Contracts on a Notional Long-Term Debt Security of the Federal Republic of Germany (Euro BUND Futures; FGBL)
Options Contracts on a Euro-BOBL-Future (OGBM)	Futures Contracts on a Notional Medium-Term Debt Security of the Federal Republic of Germany (Euro BOBL Futures; FGBM)
Options Contracts on a Euro-SCHATZ-Future (OGBS)	Futures Contracts on a Notional Short-Term Debt Security of the Federal Republic of Germany (Euro SCHATZ Futures; FGBS
Options Contracts on the Dow Jones Italy Titans 30^{SM} (O1TA)	Futures Contracts on the Dow Jones Italy Titans 30^{SM}

10 Cash Transactions for the EFP Trade Facility

Eurex Clearing AG has determined that cash transactions in all debt securities, which show a price correlation to the exchanged futures contract so that the futures contract describes an appropriate hedge instrument for cash transactions, may be part of an EFP trade pursuant to subsection 2.1.2 of these General Conditions for Participation.

The EFP underlying cash transaction has to be nominated in the permissible currency of the respective futures contract.

11 Cash Transactions for the EFS Trade Facility

Eurex Clearing AG has determined that cash transactions in EFS Trades must have the following characteristics:

- Spot or forward-starting plain vanilla OTC Interest Rate Swaps
- Agreement under the terms of an ISDA Master Agreement or any equivalent master agreement
- Regular annual fixed rate payment against regular floating rate payments per year
- All payments must be denominated in the same permitted currency as the respective futures contract (i.e. EUR for Euro Bund, Bobl and Schatz Future and CHF for the CONF Future)

12 Cancellation of OTC Transactions

12.1 Requirements

Pursuant to these General Conditions for Participation Eurex Clearing AG shall cancel an Exchange for Physicals, Exchange for Swaps, a Vola-Trade or a Block-Trade ("OTC Transaction") already completed, if both participants of the OTC Transaction already completed between them immediately – but no later than until the end of the Post-Trading-Full-Period of the respective product of the same exchange day (see subsection 1.2.5 of the Clearing Conditions as well as subsection 1.3 paragraph 3 of the Conditions for Trading at Eurex Deutschland and Eurex Zürich) assert vis-à-vis Eurex Clearing AG that it has entered the OTC Transaction by mistake or incorrectly into the Eurex Clearing System and thus wish a cancellation of such OTC Transaction.

12.2 Form Claim

The participants who request a cancellation according to subsection 12.1 have to assert their request for cancellation by telephone or by telefax vis-à-vis Eurex Clearing AG.

12.3 Cancellation

The cancellation of an OTC Transaction shall be effected by the entry of a respective back-to-back transaction by Eurex Clearing AG in such a way that the position emerging from such cancellation has to be in accordance with the one, which would have come into being without the transaction that has to be cancelled.

12.4 Costs

For each erroneous entry a respective cancellation fee in the amount of EUR 500 for EUR denominated products and CHF 800 for CHF denominated products, respectively, shall be invoiced by Eurex Clearing AG to the participants requesting the cancellation. In the case of the cancellation of a self-dealing transaction (In-House Transaction) the cancellation fee shall be invoiced by Eurex Clearing AG once only. The trading fee,

which accrued for the cancelled OTC Transaction shall be reversed by Eurex Clearing AG.

12.5 Miscellaneous

Eurex Clearing AG shall submit a confirmation to the participants filing the application pursuant to subsection 12.1, which shows that the respective OTC Transaction has been cancelled.

13 Liability

13.1 Eurex Clearing AG will be liable to the Participant, regardless of the legal grounds, for damages caused by intentional misconduct or gross negligence.

13.2 Eurex Clearing AG (including third parties assisting in its performance) shall, in the event of slight negligence, only be liable for damages caused by violation of its principal duties. In such a case, the liability for untypical damages and for lost profits is excluded. The liability shall, in such a case, be limited to the damages typical and foreseeable at the time of execution of the agreement.

13.3 In the event of data losses, Eurex Clearing AG shall, provided that backup copies exist, only be liable for the costs in connection with the reconstruction of such data.

14 General Provisions

14.1 The OTC Trades entered by Participants into the clearing system of Eurex Clearing AG using the OTC Trade Entry Facilities, are not made anonymous for the counterparties involved. Other Participants (third parties) cannot view via the EDP system OTC Trades in which they are not involved.

14.2 After the entry of an OTC Trade, Participants receive a "Trade Confirmation", produced by the Eurex Clearing System. All OTC Trades are expressly shown as "OTC-TRADE" on such "Trade Confirmation", since OTC Trades are off-exchange transactions.

14.3 OTC Trades are shown in the reports CB010 (Position Detail) and TC810 (Daily Trade Confirmation), produced by the Eurex Clearing System on a daily basis, and are marked as off-exchange transactions. In addition, a report recording all OTC transactions (TC545 OTC-Order Maintenance) is provided electronically, in which all OTC Transactions (Add, Change, Ratify) are indicated.

14.4 Eurex Clearing AG will report all cleared OTC Trades, marked as off-exchange transactions, to the Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungaufsicht "BAFin"* on a daily basis, pursuant to paragraph 9 of the Securities Trading Act (*Wertpapierhandelsgesetz - "WpHG"*). Furthermore, each

Participant will report separately and on a daily basis to the *BAFin*, its transactions cleared using the OTC Trade Entry Facility, marked accordingly.

14.5 The General Conditions for Participation have been issued by Eurex Clearing AG. Eurex Clearing AG has the right to change or extend these Conditions for Participation from time to time, to the extent that this may appear necessary in the light of market conditions. Participants of the OTC Trade Entry Facilities shall be notified of any changes at least ten trading days before they are to take binding effect. Changes and additions to these Conditions shall be announced by Eurex Clearing AG by means of circular letters sent electronically via e-mail.

15 Termination

15.1 Eurex Clearing AG and the Participant are entitled to terminate the utilization agreement in whole or in part by giving six months' prior written notice to the end of a year.

15.2 This agreement may, at any time, be terminated by either party in writing without notice for cause. (i) Cause exists for both parties, in particular, if a Participant is no longer admitted to options and futures trading at the Eurex Exchanges. (ii) Cause exists for Eurex Clearing, in particular, if a clearing institution has revoked its declaration vis-à-vis a Participant pursuant to section 6.1 of these General Conditions for Participation or if a Participant does not agree with an amendment to the General Conditions for Participation. (iii) Cause exists for the Participant, in particular, if such Participant does not agree on a change regarding the General Conditions for Participation pursuant to section 14.5 of these General Conditions for Participation.

15.3 The notice period in the event of an extraordinary termination pursuant to section 15.2 (iii) of these General Conditions for Participation shall, in such a case, be five (5) trading days. Furthermore, such termination must be received by Eurex Clearing AG before the respective change of the General Conditions for Participation becomes effective. Otherwise, the agreement may only be terminated pursuant to section 15.1 hereof. In the event of an extraordinary termination pursuant to section 13.2 (i) and (ii), the termination is made without notice.

16 Saving Clause

Should individual provisions be invalid in whole or in part, this shall not affect the validity of the remaining provisions.

17 Place of Jurisdiction; Applicable Law

The exclusive jurisdiction for all disputes in connection with these Conditions shall, to the extent permissible by law, be Frankfurt/Main. These Conditions shall exclusively be governed by, and construed in accordance with, the laws of the Federal Republic of Germany.

Acceptance of the Conditions for the Utilization of the OTC Trade Entry Facilities

Eurex Clearing AG
Market Supervision

D-60485 Frankfurt am Main

Fax: +49-69-211-1 43 47

Member's Details

Name of Member

Eurex Member ID

Name of Contact Person

Address

Phone No. Fax No.

Participation in the following OTC Trade Entry Facility(ies) of Eurex Clearing AG

☐	Exchange for Physicals Trade Facility (so far: Basis Trade Facility)
☐	Exchange for Swaps Trade Facility
☐	Block Trade Facility
☐	Vola Trade Facility

We herewith accept the Conditions for Utilization of the OTC Trade Entry Facilities in their current version.

The currently available version of the Conditions for Utilization of the OTC Trade Entry Facilities is known to us and is accessible by us at any time at the Internet address **www.eurexchange.com > Market Access > Market Model > OTC.**

We will participate in the operation of the OTC Trade Entry Facility(ies) ticked above, in accordance with the conditions, and ask you to grant access for our institution to the corresponding OTC Trade Entry Facility(ies).

Place and date Company name and stamp (name in capitals)

Declaration – Agreement of the General Clearer for the Utilization of the OTC Trade Entry Facilities

Eurex Clearing AG
Market Supervision

D-60485 Frankfurt am Main

Fax: +49-69-211-1 43 47

Clearing Member's Details

Name of Member

Eurex Member ID _____ _____ _____ _____ _____

Name of Contact Person

Address

Phone No. Fax No.

Participation of our Non-Clearing Member ("NCM") in the following OTC Trade Entry Facility(ies) of Eurex Clearing AG

- ☐ Exchange for Physicals Trade Facility (so far: Basis Trade Facility)
- ☐ Exchange for Swaps Facility
- ☐ Block Trade Facility
- ☐ Vola Trade Facility

Name of NCM

Eurex Member ID _____ _____ _____ _____ _____

has informed us that they wish to participate in the OTC Trade Entry Facility(ies) of Eurex Clearing AG ticked above.

We, therefore, declare in our function as General Clearer for our NCM, and pursuant to Section 6.1 of the Conditions for Utilization of the OTC Trade Entry Facilities, that we will guarantee to Eurex Clearing AG the fulfillment of obligations resulting from OTC Trade transactions of the aforementioned NCM, pursuant to the Clearing Conditions for Eurex Clearing AG, and will honor any and all obligations for the settlement and collateralization of transactions resulting therefrom. We herewith accept the Conditions for Utilization of the OTC Trade Entry Facilities in their current version.

The currently available version of the Conditions for Utilization of the OTC Trade Entry Facilities is known to us and is accessible by us at any time at the Internet address under **www.eurexchange.com > Market Access > Market Model > OTC.**

Place and date

Company stamp and signature (name in capitals)