X-pand into the Future

e u r e x *circular 021/05*

Date: Frankfurt, February 17, 2005
Recipients: All Eurex members and vendors, CCP members
Authorized by: Daniel Gisler

⚠ **Action Required**

CCP 2.0 Part II – Production Launch of New Products in the Framework of CCP 2.0

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Content may be most important for:	**Attachments:**
➲ All departments	1. Communication Calendar 2. "CCP Power of Attorney Eurex Delivery Instructions" Form 3. "Application for Setup/Deletion/Change of CCP Settlement Accounts" Form 4. Cancellation Re-Run Guide

Summary:

This circular provides details about the rollout schedule and accompanying measures for the inclusion of additional products in the framework of CCP Release 2.0.

The extension of the product portfolio by additional security categories (securities held in foreign safe custody, XTFs) and trade types (OTC) will be implemented on the basis of CCP Release 2.0 which had been technically introduced in production on June 28, 2004.

The CCP Release 2.0 simulation will take place from April 4, 2005 until May 13, 2005. During the simulation, participants have the opportunity to validate new processes, such as the treatment of Xetra OTC trades and specific corporate actions.

The production launch is scheduled for Thursday, June 2, 2005.

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CCP 2.0 Part II – Production Launch of New Products in the Framework of CCP 2.0

This circular provides details about the rollout schedule and accompanying measures for the inclusion of additional products in the framework of CCP Release 2.0.

The extension of the CCP product portfolio will include foreign equities held in collective safe custody from Austria, Belgium, Finland, France, Ireland, Italy, Luxembourg and Switzerland, as well as Exchange Traded Funds (XTFs) from France, Ireland, Luxembourg and Switzerland. The trade types supported by the CCP will be expanded to include trades entered in the Xetra Over-the-Counter (OTC) facility for all security categories supported by the CCP.

The CCP Release 2.0 simulation will take place from April 4, 2005 until May 13, 2005. During the simulation, participants will have the opportunity to simulate the new processes associated with

- Xetra OTC trading
- capital measures in
  - Exchange Traded Funds,
  - instruments in foreign collective safe custody and
  - rights re-runs

Please refer to the attachments for the communication calendar.

The production launch is scheduled for Thursday, June 2, 2005.

In this context, we refer you to Eurex circular 060/04 “Functional and Technical Guides for CCP Release 2.0” from May 7, 2004. The adjustments, as described in the aforementioned circular, remain valid, with the exception of the area of corporate actions. Here, changes are planned which will be detailed in a separate document. Please refer to the attached communication calendar for more information.

Accompanying measures

In connection with the extension of products supported by the CCP, we would like to remind you that an additional CBF foreign account will be necessary for the settlement of securities or rights held in non-collective safe custody (also see info mail from March 8, 2004 and Eurex Circular 078/04 from June 9, 2004). Inclusion of a CBF foreign account is required for the exceptional case that a corporate action event in an instrument supported by the CCP results in a change in safekeeping type. Therefore, it is required that every CCP member (Clearing Members, Settlement Institutions/holder of settlement account) specifies a CBF foreign account to Eurex Clearing AG by using the appropriate forms.

Kindly submit your CBF foreign account particulars (6-series CREATION account) by filling out and returning the forms “CCP Power of Attorney Eurex Delivery Instructions“ and “Application for Setup/Deletion/Change of CCP Settlement Accounts” **until March 4, 2005** latest by post to:

Eurex Clearing AG
Sales Support NB 05.01.004
Customer Support
Neue Börsenstraße 1
D-60485 Frankfurt am Main

if you have not yet sent these.

The GATE 3.3 Update Kit 1 and the CCP 2.0 Update Kit will be transmitted to you on March 18, 2005. Installing the CCP 2.0 Update Kit is compulsory in order to ensure technical compatibility with CCP Release 3.0. Functional changes are not foreseen. We will provide details about the distribution of the GATE 3.3 Update Kit 1 and the CCP 2.0 Update Kit in a separate circular.

The CCP documentation is available on the Eurex website under

www.eurexchange.com > Member Section > Documentation/Manuals CCP > CCP 2.0.

Please note that functional and legal documents are provided in English and German and the technical documents in English only.

Further to this, the VALUES API documentation is available in English under

www.eurexchange.com > Member Section > Software Releases CCP > VALUES API Final Version Release 2.0".

For any functional question you may have, please do not hesitate to contact the Customer Support Team at telephone +49-69-211-1 17 00, fax +49-69-211-1 17 01. For technical inquiries, our Technical Helpdesk CCP is available at telephone +49-69-211-1 28 00, fax +49-69-211-1 28 01.

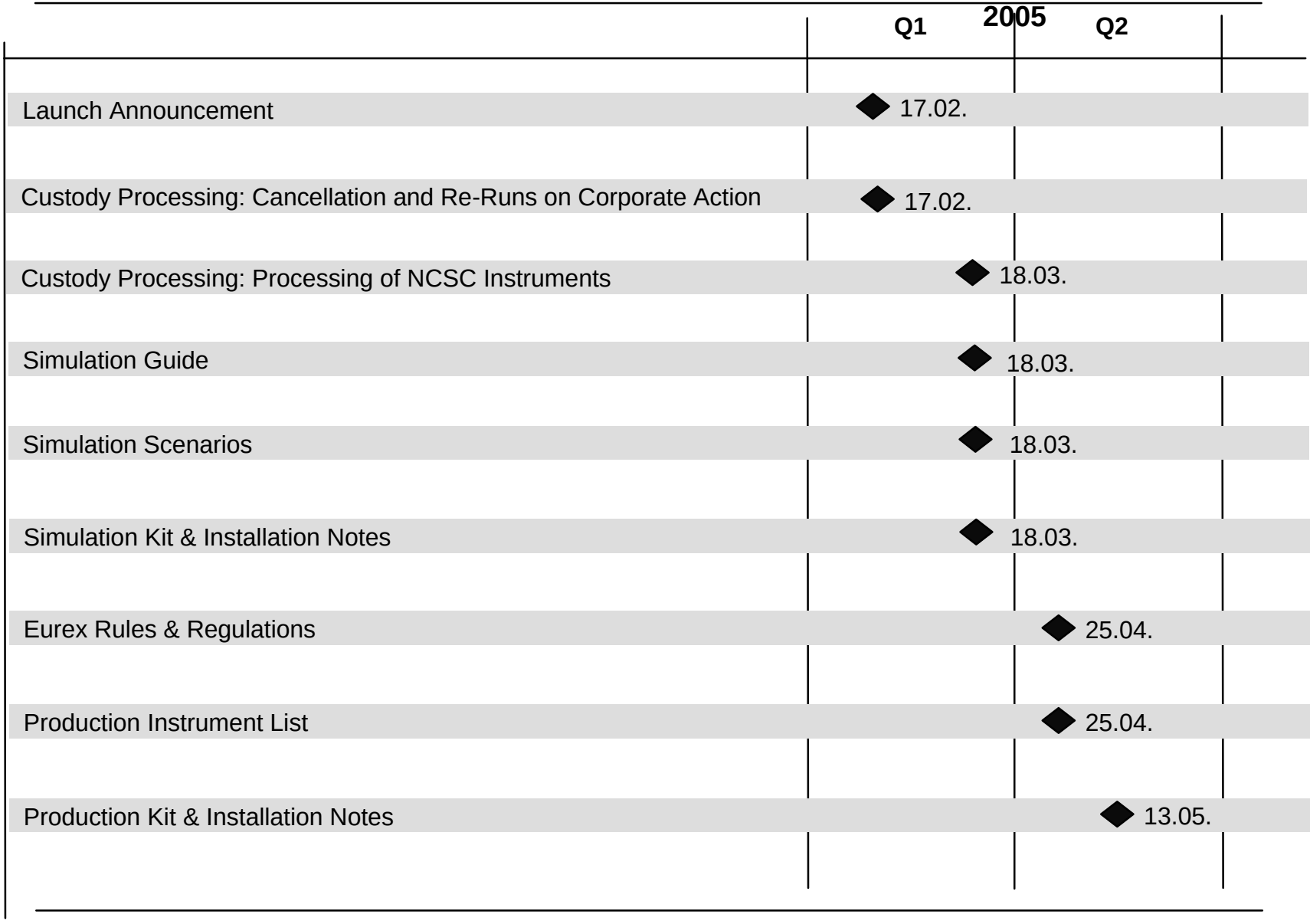
Frankfurt, February 17, 2005

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CCP 2.0
Communication Calendar



POWER OF ATTORNEY

This power of attorney is granted on (date) _____by

1. (name of the CBF account holder) _____

whose registered office is at (address)_____ (the "Company")

2. (if different to the Company)

(name of the CBF-Creation -Account holder)

_____

whose registered office is at (address)_____(the "CBF-Creation -Account-Holder")
(the Company and the CBF Creation-Account-Holder are hereinafter collectively referred to as the "Companies")

The Company (or, as the case may be, the Companies)
hereby appoint(s) EUREX Clearing AG, Neue Börsenstrasse 1, 60487 Frankfurt am Main, Germany ("The Attorney") to be its attorney for the following purposes:

1. to grant, to change and to cancel any settlement instructions on behalf of the Company (or, as the case may be, the Companies) with respect to trades of the Company at a) Frankfurter Wertpapierbörse (FWB) and/or b) Eurex Bonds GmbH and/or c) Eurex Repo GmbH for the following account number(s) of the Company (or, as the case may be, of the Companies) at Clearstream Banking AG, Frankfurt ("CBF"), ([insert account details].

CBF Account(s):	(linked) CBF-Creation-Account(s)
_____	_____
_____	_____
_____	_____
_____	_____

2. to receive from CBF all information on the status of the instructions transmitted by the Attorney especially related to its cancellation, amendment or settlement provisioning failure.

If applicable:

CCP-Reg-Über-Branch Accounts in the CCP system

The accounts of the Company (or, as the case may be, of the Companies) at CBF referred to above are linked to certain accounts within the CCP system ("the CCP-RegÜber-Branch Account(s)") of _____(the "CCP-Reg-Über-Account Holder").
The Company (or, as the case may be, the Companies) appoint(s) the Attorney to act on its behalf, to the extent referred to under No. 1 and 2 above, with respect to trades of the Reg-Über-Account Holder at a) Frankfurter Wertpapierbörse (FWB) and/or b) Eurex Bonds GmbH and/or c) Eurex Repo GmbH, such trades to be instructed on the following CCP-Reg-Über Branch Account(s) number(s) and to be settled on the following CBF Accounts/Linked CBF Creation Account(s);

CBF Account(s):	CCP RegÜber Branch Account(s):	(Linked) CBF-Creation Account:

All communications given by the Attorney to CBF shall comply with the format, modes of communication and procedures specified in CBF rules and regulations and the Attorney acknowledges that CBF's preferred modes of communication is through one of the Cascade and/or Creation systems or relevant systems specified by CBF or Authenticated SWIFT.

CBF shall bear no liability for having relied in good faith on instructions sent by the Attorney on the basis of this Power of Attorney.

The Company (or, as the case may be, the Companies) agree(s) that it shall be fully liable to CBF for any and all obligations created on its behalf pursuant to the authority or legitimately purported authority of this power of attorney and agree(s) that it shall be bound to whatever the Attorney causes to be done under the authority or legitimately purported authority of this power of attorney. In addition, the Company (or, as the case may be, the Companies) agree(s) that it has no right to cancel or amend the settlement instruction sent by the Attorney and that any attempt to do so will be reported to the Attorney.

This power of attorney shall remain valid until notice of revocation or amendment is received from the Company (or, as the case may be, from the Companies) vis-à-vis CBF by Registered Letter/ Authenticated SWIFT message. A copy of such revocation or amendment shall be sent by the Company (or, as the case may be, the Companies) to the Attorney. Any such revocation or amendment shall take effect on the second business day in Frankfurt and in Luxembourg after receipt of the notice by CBF or such other later date specified in the notice accordingly.

This power of attorney is governed by and shall be construed in accordance with the laws of the Federal Republic of Germany.

Executed as a deed by

_____

Name of Company

_____

Signature *Signature*

If different to above

_____

Name of Linked CBF-Creation Account Holder

_____

Signature *Signature*

*If applicable (CCP-*RegÜber Branch Accounts:

_____

Name of RegÜber Branch Account Holder

_____

Signature *Signature*

Antrag auf Einrichtung/Löschung/Änderung von
Settlement Konten CCP
Application for Set up/Deletion/Change of
CCP Settlement Accounts

Eurex Clearing AG
Sales Support
Customer Support

60485 Frankfurt am Main

Antragsteller/Applicant (Clearer)

Name des antragstellenden Unternehmens/Company name of Applicant

Anschrift/Address

Vorname, Name des Ansprechpartners/ First Name, surname of contact person

Telefon-Nr./Phone-No. | Fax-Nr./Fax-No.

☐ Einrichtung per
Set up effective as of _____ (T T M M J J)

☐ Löschung per
Deletion effective as of _____ (T T M M J J)

☐ Änderung per
Change as of _____ (T T M M J J)

Clearing-Member-Kürzel/Clearing-Member-ID

Als Clearer bitten wir hiermit die folgenden Settlement Konten einzurichten:
Herewith we request as Clearer the following setup of settlement accounts:

CBF-Konto (Filiale) CBF-Account (Branch)	Headquarter Account	Settlement netting unit			Cash Deferral		Default Release Method		Default Processing Method	
Buba-Konto Buba-Cash Account	Buba-Konto Buba-Cash Account									
		☐ Std	☐ Std.+ acct. type	☐ Std.+acct. type+NCM	☐ Ja	☐ Nein	☐ Pos	☐ Neg	☐ Net	☐ Gross
Unternehmensname des Bruttoliefermanagers Company name of gross delivery manager										
Verknüpftes CBF-Auslandskonto Linked CBF-Foreign-Account										

CBF-Konto (Filiale) CBF-Account (Branch)	Headquarter Account	Settlement netting unit			Cash Deferral		Default Release Method		Default Processing Method	
Buba-Konto Buba-Cash Account	Buba-Konto Buba-Cash Account									
		☐ Std	☐ Std.+ acct. type	☐ Std.+acct. type+NCM	☐ Ja	☐ Nein	☐ Pos	☐ Neg	☐ Net	☐ Gross
Unternehmensname des Bruttoliefermanagers Company name of gross delivery manager										
Verknüpftes CBF-Auslandskonto Linked CBF-Foreign-Account										

Ort und Datum
Place and Date

Firmenstempel und Unterschrift/Company Stamp and authorized Signature
(Name in Druckbuchstaben)/(Name in block letters)



CCP Release 2.0

Custody Processing
Cancellation and Re-Run Guide

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1 General

Corporate action events are distinguished between “non-income” and “income” events.

Income events represent cash payments, e.g., a dividend payment.

Non-income events comprise

- ISIN change
- Nominal value change
- ISIN and nominal value change, and
- Enhancement of rights (additional rights).

The latter case leads to an additional trade, e.g., a subscription right. All other cases lead to trade modifications.

Besides the Original Run of non-income events (which is processed automatically within the CCP system) two additional processing types of corporate action events may occur:

- Cancellation (“Storno”):
  An event has to be reverted at a later time and is therefore cancelled with the event data of the Original Run.
- Re-Run (“Nachlauf”):
  A Re-Run is initiated if an event was announced after the entitlement day[1] and has to be processed for the first time or if an event was cancelled previously to make a correction (Re-Run after a Cancellation).

The entitlement day of Re-Runs and Cancellations is in general in the past. The day, when the Re-Run or Cancellation is processed at Clearstream Banking Frankfurt (CBF) is referred to as the processing day.

In general, the holdings on the entitlement day are entitled for corporate actions. In case a trade was pending on an entitlement day of a corporate action, the buyer is entitled to the corporate action (i.e., buyers who traded securities ‘cum’).

In case of a Re-Run or Cancellation, the situation on the entitlement day after the application of the corporate events needs to be ‘reconstructed’, i.e., the holdings on the entitlement day have to be identified and adjusted (done by CBF) as well as the trades pending on the entitlement day on level CCP – Clearing Member (duty of the CCP). The trades that are pending on level CM – Customer on the entitlement day are either adjusted or only displayed for information purposes, dependent on the type of event.

Cancellations and Re-Runs of income events as well as Cancellations and Re-Runs of holdings are not subject to this document, as they are processed automatically by CBF.

This document differentiates between an automatic processing and a mainly manual processing (Compensation Partner Concept). Chapter 2 describes the automatic processing that is applied for a Re-Run of additional rights, because this Re-Run is the most likely event. Neither processing for ISIN/nominal changes nor cancellation or re-run/cancellations of additional rights is in scope of the

[1] The entitlement date within the context of equities in scope is the reference date for the entitlement to receive a corporate action (equivalent to ‘GS – Stichtag/Trenntermin’).

automatic procedure. All those events are covered by the Compensation Partner Concept that is described in chapter 3. Chapter 4 describes the respective reporting and the member communication.

2 Automatic Processing of Re-Run

The automated processing is provided for Re-Run of additional rights only.

Relevant for the processing of Re-Runs within the CCP are trades that were pending on the level CCP – CM and/or CM – Customer on the entitlement day of the corporate action. Thus, trades or parts of trades that are pending on this level are of interest for the automated processing of Re-Runs of additional rights[2].

For each of these trades the CCP generates a trade in the additional right according to the corporate action event. In each still available original trade the corporate action indicator is set to "Yes".

The trades in the new ISIN of the additional right are added, always with the same buy/sell leading sign as the underlying trade. The price and settlement amount of additional rights trades are set to zero.

2.1 Trade Attributes

When an additional trade is generated for the processing of a re-run, it inherits most of the trade attributes.

2.1.1 Trade Key

For a CCP member, a trade is uniquely identified by the combination of the following trade attributes:

- ISIN
- Trading Location
- Trade Date
- External Trade Number
- Order Number

The additionally generated trades always inherit trading location, trade date, external trade number, and order number. This allows the member to identify the additional trades as referring to a specific original trade.

For a Re-Run of an additional right event, the ISIN of the newly added trade corresponds to the original target ISIN of the additional right.

2.1.2 Corporate Action Indicator

Valid values of the corporate action indicator remain unchanged. A Re-Run will be indicated equal to a Original Run using the value “Y”. A Re-Run can be derived using report CA180 Capital Adjustments on Trades.

The additional usage of the corporate action indicator in case of a Re-Run will be reflected in all reports and @X-PERT GUI windows, where the corporate action indicator is already used.

[2] Automatic processing is provided for trades of an affected ISIN which were not already affected by another Corporate Action Event. If trades were already affected by a Corporate Action they are handled within Compensation Partner Concept (cp. chapter 3).

2.1.3 Release Status

In general, the release status of the new trades (for the sell side) is inherited from the release status of the original trade on the processing day. If the original trade is still pending in the CCP because the member has blocked the trade, the additional trades are also not released for settlement.

The inheritance of manual links is not supported. Where the original trade is still available on the processing day, the release status of newly generated trade is determined according to the table below. It defines the release status of the newly generated trades dependent on the release status of the original trades on the processing day of the Re-Run. For the inheritance of the release status the release status of the original trade on the entitlement day is not relevant.

Release Status Original Trade	Release Status Re-Run Additional Right
RELEASED	RELEASED
PARTIALLY RELEASED	PARTIALLY RELEASED
BLOCKED	BLOCKED
MANUALLY LINKED	Set to member default settings
LINKED BY REFERENCE	LINKED BY REFERENCE

Where the original trade is no longer available in the CCP database (e.g., since the original trade has already been settled on the level CCP – CM and on the level CM – Customer on the processing day of the Re-Run), the release status of the newly generated trades is set to the default release method of the respective clearing member/settlement account combination.

As explained in the next section, also additional trades which are settled on level CCP – CM but pending on level CM – Customer (i.e., closed trades) may be generated. The release status of these closed trades is always set to “blocked” to avoid the combination “closed and released”, as no immediate automatic settlement will be performed. The trades are not processed any further during SDS1 and SDS2 on the day after the processing day, i.e., until their contractual settlement date has been reached. In particular it is not possible to release these trades until the end of SDS2 to avoid automatic settlement. If a member tries to release such a trade via VALUES or MSIF an appropriate error message is sent. If a trade is split between surplus and offsetting block, gross delivery management is only restricted to the part assigned to the offsetting block.

2.1.4 Settlement Status

For trades that were fully settled on the levels CCP – CM and CM – Customer on the entitlement day, no Re-Run processing is performed. The reasoning behind is the fact that the settled trades have become part of the member’s receiving holdings, and thus, the Re-Run is correctly processed on the holdings by the security depository (CBF).

For trades that were settled on the level CCP – CM but pending on the level CM – Customer (i.e., closed trades) on the entitlement day, the Re-Run processing is also provided as a service to members. Additional trades for trades that were pending on the entitlement day on this level are also

generated and reported. These trades are generated as settled on level CCP – CM and pending on level CM – Customer accordingly.

The trades that are generated for Re-Run processing inherit the settlement status of the original trades on the entitlement day. The settlement status of the original trade on the processing day is not relevant. In case a trade was partially settled on the entitlement day, only the pending part of the trade is taken into account for the Re-Run processing. Thus, a newly generated trade will be pending and will belong only to the pending quantity on the entitlement day.

2.1.5 Processing Method

The CCP supports the two processing methods 'net processing' and 'gross processing'.

Trades which are newly generated and are added as pending trades, the default processing method of the respective settlement account is used.

Newly generated trades which are added as closed trades are marked for net processing.

2.1.6 Contractual Settlement Date

Additional rights entered due to a corporate action Re-Run will have a contractual settlement date in the future (thereby it doesn't matter, whether the trade is closed or (a part of) the trade is included in the surplus or is a gross trade). In case the underlying trades have a contractual settlement date later than the processing day plus one business day, the newly generated trades inherit the contractual settlement date of the original trade. All other newly generated trades receive the contractual settlement date T+2 in the Re-Run processing, as this corresponds to the next possible settlement netting processing on the next business day.

According to the previous section, additional trades can also be generated as closed trades. However, although these trades are settled on the level CCP – CM they have not reached their contractual settlement date, as described above.

2.2 Processing of Re-Runs of Additional Rights

This chapter briefly describes the capture and delivery processing of the trades newly generated due to a Re-Run processing. It covers the capture of the additional rights, their consideration for settlement netting, the creating of delivery instructions, and the reporting of pending and settled deliveries.

2.2.1 Trade Capture

A Re-Run is defined as the delayed application of a corporate action event. The entitlement day of the Re-Run is in the past. A Re-Run is not the correction of an incorrectly performed original corporate action event in the past.

The processing of Re-Runs of additional rights is described below, and the processing for settled and for pending trades is given. "Settled trades" in this terminology comprises trades that were pending on both levels on the entitlement day and are settled on the level CCP – CM on the processing day (on level CM – Customer the status can either be settled or pending), as well as trades that were closed

on the entitlement day and are settled or still closed on the processing day. “Pending trades” in this terminology comprises trades that were pending on both levels on the entitlement day and are still pending on both levels on the processing day.

The Re-Run of an additional rights corporate action can be processed in a straightforward manner. For additional rights, no correction of original trades is required. For each original trade that was pending on the entitlement day, the CCP generates a trade in the additional right according to the subscription ratio of the corporate action event.

The trades are added in the new ISIN of the additional right, always with the same buy/sell leading sign like the underlying trade. The price and settlement amount of additional right trades are set to zero.

Example:

TRADE	ISIN	B/S	QUANTITY	PRICE	SETTL. AMOUNT
ORIGINAL	DE1111111111	B	500	20.00	10,000
RE-RUN					
NEW (ADD. RIGHT)	DE1003846666	B	500	0.00	0

2.2.2 Settlement Netting

On the processing day the new trades are generated during the end-of-day processing. The original trades for which the new trades are generated may or may not be available for gross delivery management, depending on the time when the Re-Run is performed and whether the original trades have settled in the meanwhile. The original trades and the generated new trades are processed independently.

The new trades generated for closed trades are balanced on the buy and sell side with regard to their quantities, as were the entitled trades since they formed an offsetting block. In addition, the settlement status is inherited from the underlying trades on the entitlement day. Thus, the new trade must also be settled on the level CCP – CM and pending on the level CM – Customer. As the same quantities are added to the buy and sell sides, the offsetting blocks is balanced. The settlement of the offsetting blocks will be performed in the next standard settlement run (i.e., STD), if the respective sell trades have been released. A creation of cash instructions is not required as the price/amount of an additional right out of a Re-Run is zero.

New trades generated for trades with the settlement status “pending” on the level CCP – CM will be included in the next STD settlement netting process on the next business day after the processing day, which is in line with their contractual settlement date as specified in chapter 2.1.6. Hence, the non-closed trades are assigned to either surplus or (to the maybe existing) offsetting blocks and gross obligations.

2.2.3 Settlement / Delivery Instructions

The settlement processing of trades resulting from a Re-Run is performed the same as for original trades. Delivery instructions will be created for trades that are fully assigned to a surplus obligation or that are marked for gross processing and released. For net trades, only one delivery instruction (which can be shaped) is created for the settlement of the surplus, regardless whether the trades are resulting from a Re-Run or not. For each gross trade one delivery instruction is created for settlement.

Trades resulting from the Re-Run processing are subject to gross delivery management via VALUES API or via MSIF. In addition, to effect the blocked or released status from the original trade, any gross delivery management action possible for regular equity trades may be performed on the newly generated trades. However, as described in 2.1.3 no 'release' is possible for (newly added) closed trades until the end of SDS2 to avoid automatic settlement, i.e., until they reach their contractual settlement day. The setting of manual links or link references after the trades have been created is possible.

The settlement of trades resulting from Re-Run processing is possible within the CCP for offsetting obligations or at the central security depository for surplus and gross trades.

2.2.4 Inquiries

When the trades have been generated for the Re-Run, and the CCP opens up again for member access on the next business day, all trades can be inquired by the member via the regular VALUES API member interface. The delivery indicator will be displayed for each trade.

2.3 Reports

The trades generated by the Re-Run processing that are pending or that have been settled are reported to the CCP member using the existing reports, and can therefore be easily tracked. In order to provide the member with the information, why trades were generated and for which event, the reports CA180 Capital Adjustments on Trades will be used.

In the Pending Delivery Report CE260 new non-closed trades are reported as open trades from the current business day. Additional trades (entered due to a Re-Run) which are derived from closed trades are reported accordingly with the status “CLOS” at the level CCP – CM and “PEND”/“BLOC” at the level CM – Customer in the CE260 Pending Delivery Report (raw data and formatted). In the formatted report RPTCE26X they are displayed in the section “open trades”.
When the trades are considered for settlement, earliest in the next settlement netting run, they are reported in the CE270 Settled Deliveries Report in the same way as the settlement of regular trades.

3 Compensation Partner Concept

The manual processing refers to the following events:

- Cancellation ("Storno"):
  An event has to be reverted at a later time and is therefore cancelled with the event data of the Original Run. The correction is performed for
  - ISIN Change
  - Nominal Change
  - Nominal and ISIN change
  - Additional Rights.

- Re-Run ("Nachlauf"):
  A Re-Run is initiated if an event was announced after the entitlement day and has to be processed for the first time or if an event was cancelled previously to make a correction (Re-Run after a Cancellation). The correction is performed for
  - ISIN Change
  - Nominal Change
  - Nominal and ISIN change.

  A Re-Run of additional rights is subject to the automatic processing.

Entitled trades are all trades that were pending on the entitlement day. Trades which are settled on level CCP – CM on the entitlement day are in the responsibility of the respective Clearing Member and are not subject to the compensation partner handling. Those trades are shown on the Compensation Partner Report CA130 for information purposes. Trades that were pending on level CCP – CM on the entitlement day are subject to the compensation partner handling.

The basic principle of the manual Re-Run/Cancellation handling is the compensation partner concept based on the existing report CA130. The main characteristic of this handling is, that depending on the type of event the entitled trades in the CCP are either not touched and processed, as they are or booked out. This depends on the specific kind of event that needs to be applied, and also on the status of the trade. E.g., when performing a Re-Run of an ISIN change, CBF does not accept any instructions in the "old" ISIN. Therefore these pending trades need to be completely booked out from the CCP and also reported accordingly to the members.

Within this concept, for all trades pending on both levels on the entitlement day the correction is done by one compensating instruction per CM, ISIN and settlement account, that will be instructed for the head settlement account into the CASCADE OTC system and is to be matched by the respective counterparty. A reference is given within a respective reporting (CA130 – Compensation Partner Report and written member communication). The day when the Re-Run or Cancellation is performed is called "processing day".

The compensation instructions are different in case a trade is still pending or has already been settled between the entitlement day and the processing day, because they depend on the current status of the trade and can therefore result in Delivery versus Payments or Free of Payment instructions.

This is described in detail in the subsequent sections.

Following figure gives an overview which settlement status combinations are subject to compensation partner handling:

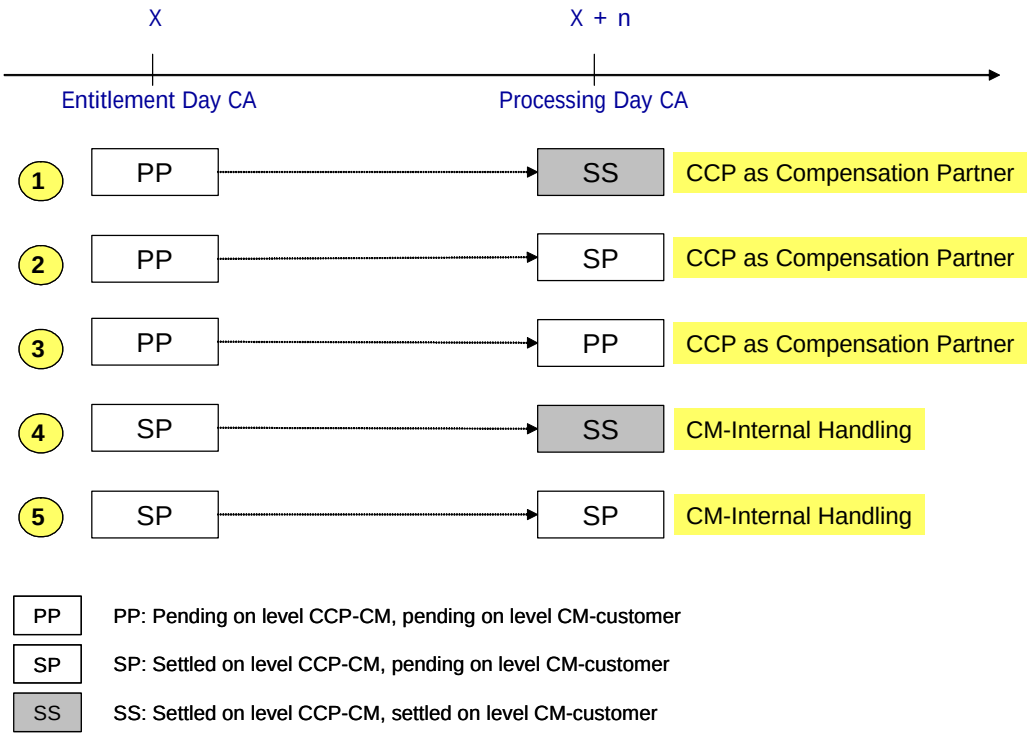


Figure 1: Settlement Status Combinations

The cases 4 and 5 are in the responsibility of the respective Clearing Member and are not subject of the compensation partner handling, even if the affected trades are shown on the report CA130.

For convenience and a better readability, the expression 'trade' is often used instead of 'parts of a trade', in case the described adjustment only applies to a partial quantity. The meaning is equivalent.

The corporate actions are classified within the compensation partner report according to the corporate action type in the CBF system, whereas throughout this document the corporate actions are referred to as ISIN change, nominal value change, nominal value and ISIN change or additional rights. The following table presents a mapping of these types:

Corporate Action Type in CBF/CA130	CCP Change Type
"CONV" – Conversion.	ISIN and nominal value change or pure ISIN change (to be differentiated by means of the ratio field – if empty, then it is a pure ISIN change).
"SPLF" – Stock split.	Nominal value change
"PARI" – Pari-Passu.	ISIN change
"RHTS" – Rights issue.	Additional rights (only Cancellation)

Corporate Action Type in CBF/CA130	CCP Change Type
"BONU" – Bonus issue	Additional rights (only Cancellation)

In the following sections is described, how the corresponding cancellation or Re-Run of the corporate action event is processed. .

3.1 CA130 Compensation Partner Report

The CCP creates the report 'CA130 Compensation Partner' as formatted and raw data report in the end-of-day processing where the Re-Run or Cancellation was performed. Per corporate action event, the corporate action event information (i.e. ratio and/or new ISIN) and the underlying trades are listed without applying to the corresponding event. For Cancellations, the trade is shown 'ex', i.e., after appliance of the Original Run. For Re-Runs, the trade view is the original trade as generated at the trading location. A combination of Cancellation and Re-Run on the same day is applied analogously to the single events, taking into account first the Cancellation and then the Re-Run.

For each corporate action event and security the report contains two sections (resp. two records in the raw data report):

The sections are defined as:

- Quantities that were settled on the level CCP – CM, but pending on the level CM – Customer on the entitlement day. This section serves for reporting purposes only.
- Quantities that were pending on both levels on the entitlement day. Therefore, a trade may be listed in both sections depending on the settlement status. The second section is the basis for the compensation.

For each of those trades the current status (on the processing day) and a sum per status are displayed. Four different settlement statuses are possible on the processing day: settled/settled, settled/pending, pending/pending (surplus or gross) or pending/pending (offsetting block) on the levels CCP – CM / CM – Customer).

Following report (formatted) describes the fields, and gives an example of a Re-Run of a nominal value and ISIN change:

Sorting order:

#	FIELD NAME
1	CLEARING MEMBER
2	SETTLEMENT LOCATION
3	SETTLEMENT ACCT
4	ENTITLEMENT DATE
5	ISIN
6	PROCESSING TYPE
7	CORPORATE ACTION
8	EX DATE
9	EXCHANGE MEMBER

10	ACCOUNT TYPE

Fields:

REF	FIELD NAME	DESCRIPTION
1	CLEARING MEMBER	Clearing Member.
2	NAME OF INSTITUTION	Long name of the Clearing Member.
3	SETTLEMENT LOCATION	Settlement location: e.g. “CBF”.
4	SETTLEMENT ACCT	Branch settlement account.
5	HEAD SETTLEMENT ACCT	Headquarter settlement account (if no Reg-Über relation exists the head settlement account is filled with the settlement account.).
6	ENTITLEMENT DATE	Entitlement day of the event as specified in CBF Custody File field “CBF-Stichtag”.
7	ISIN	ISIN of the event affected security.
8	LONG-NAME	Long name of the instrument.
9	CURRENCY	Settlement currency of the trades.
10	CORPORATE ACTION	Description of corporate action as specified in CBF Custody File in field “KADI-Vorgang 1”. “CONV” – Conversion. “SPLF” – Stock split. “PARI” – Pari-Passu. “RHTS” – Rights issue. “BONU” – Bonus issue.
11	PROCESSING TYPE	Description of processing as specified in CBF Custody File field “Verarbeitungsart”: ”CANCELLATION”. ”RE-RUN”.
12	EX DATE	Ex-date of the event.
13	NEW ISIN	ISIN of the right or of the security that is to be exchanged. Empty in case of a pure change of the nominal value.
14/15	RATIO	Adjustment ratio. Empty in case of a pure change of ISIN. In case of a Re-Run: CBF adjustment ratio enumerator : denominator. In case of a Cancellation: CBF adjustment ratio denominator : enumerator.
16	SETTL. STATUS	Trade delivery status on the level CCP – Clearing Member / Clearing Member – customer at entitlement day. “SETTLED/PENDING”. “PENDING/PENDING”.
17	EXCH MEMBER	Exchange Member.
18	ACCOUNT TYPE	Account type: “A1” or “PP”.
19	TRAD LOC	Trading location – market identification: “XETR”, “XFRA”
20	TRADE DATE	Trading date.
21	TRADE NUMBER	Trade number as provided from the trading location.
22	ORDER NUMBER	Order number.

REF	FIELD NAME	DESCRIPTION
23	ORIGINAL QUANTITY	The original quantity at entitlement day for a Re-Run. The quantity after the original runs for a cancellation. Note: Sell trades are indicated with a minus sign.
24	CURRENT QUANTITY SETTL/SETTL	The actual quantity of the trade in the state settled/settled on the processing day. Note: Sell trades are indicated with a minus sign.
25	CURRENT QUANTITY SETTL/PEND.	The actual quantity of the trade in the state settled/pending on the processing day. Note: Sell trades are indicated with a minus sign.
26	CURRENT QUANTITY PEND/PEND. SG	The actual quantity of the trade in the state pending/pending on the processing day (gross trades or belonging to the surplus). Note: Sell trades are indicated with a minus sign.
27	CURRENT QUANTITY PEND/PEND. OB	The actual quantity of the trade in the state pending/pending on the processing day (belonging to the offsetting block). Note: Sell trades are indicated with a minus sign.
28	TOTAL PER QUANTITY	Total per quantity. Note: Sell trades are indicated with a minus sign.
29	COMPENSATION ID FOP	Identification of the compensation to link the trades involved in the FOP instruction (empty in case of settlement status settled/pending).
30	COMPENSATION ID DVP	Identification of the compensation to link the trades involved in the DVP instruction (empty in case of settlement status settled/pending).

Layout:

```
 0        1        2        3        4        5        6        7        8        9        10       11       12       13
 0123456789012345678901234567890123456789012345678901234567890123456789012345678901234567890123456789012345678901234567890123456789012
01|EUREX                                                COMPENSATION PARTNER                                          PAGE:       1
02|RPTCA130                                                                                                    AS OF DATE: 09-04-03
03|                                                                                                             RUN DATE: 09-04-03
04|CLEARING MEMBER : ABCFR (1)     BANK CORPORATION  (2)
05|SETTLEMENT LOC. : CBF (3)       SETTLEMENT ACCT : 123456789012 (4)   HEAD SETTLEMENT ACCT: 12345678 (5)
06|ENTITLEMENT DATE: 07-04-03 (6)
09|ISIN:            DE0007224404  SENATOR ENTERTAINMENT AG             (7/8)             CURRENCY: EUR (9)
08|CORPORATE ACTION: BONU          (10)                                 PROCESSING TYPE   : RE-RUN   (11)
09|EX DATE         : 08-04-03      (12)                                 RATIO             :        9.0000000 :      7.0000000 (14/15)
10|                                                                     NEW ISIN          : DE0007224461 (13)
11|SETTL. STATUS   : SETTLED/PENDING     (16)
12|                                                                       CURRENT         CURRENT         CURRENT         CURRENT
13|EXCH ACT TRAD   TRADE    TRADE       ORDER          ORIGINAL         QUANTITY        QUANTITY        QUANTITY        QUANTITY
14|MEMB TYP  LOC   DATE     NUMBER      NUMBER         QUANTITY         SETTL/SETTL     SETTL/PEND.   PEND./PEND. SG  PEND./PEND. OB
15|----- -- ---- -------- ---------- ---------------- ---------------- --------------- --------------- --------------- ---------------
16|(17) (18)(19)   (20)    (21)          (22)             (23)             (24)            (25)            (26)            (27)
```

```
17|ACCAE PP XETR 03-04-03 0000210   0000000041035909    200,000.000-    150,000.000-     50,000.000-        0.000-        0.000-
18|ACCAE PP XETR 03-04-03 0000209   0000000041035912    300,000.000-    300,000.000-          0.000        0.000-        0.000-
20|                                                   --------------- --------------- --------------- ------------- -------------
21|                                TOTAL : (28)       500,000.000-    450,000.000-     50,000.000-        0.000-        0.000-
22|                      COMPENSATIONS ID FOP: (29)                          Compensation ID DVP:   (30)

01|EUREX                                  COMPENSATION PARTNER                                                  PAGE:       2
02|RPTCA130                                                                                                AS OF DATE: 09-04-03
03|                                                                                                         RUN DATE: 09-04-03
04|CLEARING MEMBER : ABCFR        BANK CORPORATION
05|SETTLEMENT LOC. : CBF         SETTLEMENT ACCT : 85350000          HEAD SETTLEMENT ACCT: 12345678
06|ENTITLEMENT DATE: 07-04-03
07|ISIN:            DE0007241614  TEAMWORK INF.MAN.AG KONV.                          CURRENCY: EUR
08|CORPORATE ACTION: CONV                                          PROCESSING TYPE   : CANCELLATION   (11)
09|EX DATE         : 08-04-03                                      RATIO             :      100.0000000 :      1.0000000
10|                                                               NEW ISIN          : DE0007443608
11|SETTL. STATUS   : PENDING/PENDING
12|                                                                 CURRENT         CURRENT         CURRENT       CURRENT
13|EXCH ACT TRAD   TRADE    TRADE       ORDER          ORIGINAL      QUANTITY        QUANTITY        QUANTITY      QUANTITY
14|MEMB TYP  LOC   DATE     NUMBER      NUMBER         QUANTITY      SETTL/SETTL     SETTL/PEND.   PEND./PEND. SG PEND./PEND. OB
15|----- -- ---- -------- ---------- --------------- --------------- --------------- --------------- --------------- ---------------
16|(17) (18)(19)   (20)    (21)         (22)           (23)           (24)            (25)            (26)            (27)
17|ACCAE PP XETR 03-04-03 0000219   0000000041035919    600,000.000-    200,000.000-          0.000    150,000.000-    250,000.000-
18|ACCAE PP XETR 03-04-03 0000222   0000000041035922    200,000.000-          0.000           0.000    100,000.000-    100,000.000-
20|                                                   --------------- --------------- --------------- --------------- ---------------
21|                                TOTAL : (28)       800,000.000-    200,000.000-          0.000    250,000.000-    350,000.000-
22|                      COMPENSATIONS ID FOP: (29)                          912  COMPENSATIONS ID DVP: (30)                913
```

Based on this report Eurex Clearing AG will initiate the manual compensation partner handling by determining the compensation instructions and by seperately informing the member via fax.

The raw data report is described in chapter 4 (appendix) as well as in the report description sent as Eurex circular (17/04 and 106/04).

3.2 Corporate Action Event Types

3.2.1 ISIN Change

3.2.1.1 Determination of the settlement instructions for Cancel Runs

In this case two delivery instructions have to be created:

1. A Free of Payment instruction is created: The sum of Current Quantity Settled/Settled and the sum of Current Quantity Settled/Pending is accumulated to one sum (S) that forms the delivery instruction.
   If S is positive Eurex Clearing AG has to deliver the securities to the CM; in case of a negative sum S the CM has to deliver the securities to Eurex Clearing AG.
   The pending trades in the old ISIN are deleted and booked out of the CCP.[3]
2. A Delivery versus Payment instruction is created: The sum of Current Quantity Pending/Pending SG[4] and the sum of Current Quantity Pending/Pending OB[5] are accumulated to S. S and the sum of Settlement Amount[6] form the delivery instruction.
   If S is positive Eurex Clearing has to deliver the securities to the CM; in case of a negative

[3] For differentiation which trades remain unchanged in the CCP system or are deleted, please refer to chapter 4.2. For reporting of “booked out” trades please refer to chapter 4.3. For the corresponding member information please refer to section 4.4

[4] SG for surplus or gross.

[5] OB for offsetting block.

[6] The Settlement Amount is only available in the raw data report.

sum S the CM has to deliver the securities to Eurex Clearing[7].
The pending trades in the old ISIN are deleted and booked out of the CCP system[5].

3.2.1.2 Determination of the settlement instructions for Re-Runs

In this case two delivery instructions have to be created:

1. A Free of Payment instruction is created: The sum of Current Quantity Settled/Settled and the sum of Current Quantity Settled/Pending are accumulated to S that forms the delivery instruction.
   If S is positive Eurex Clearing AG has to deliver the securities to the CM; in case of a negative sum S the CM has to deliver the securities to Eurex Clearing AG.
   The pending trades in the old ISIN are deleted and booked out of the CCP.
2. A Delivery versus Payment instruction is created: The sum of Current Quantity Pending/Pending SG and the sum of Current Quantity Pending/Pending OB are accumulated to S. S and the sum of Settlement Amount form the delivery instruction.
   If S is positive Eurex Clearing AG has to deliver the securities to the CM; in case of a negative sum S the CM has to deliver the securities to Eurex Clearing AG.
   The pending trades in the old ISIN are deleted and booked out of the CCP.

3.2.2 Nominal Change Ratio >1

3.2.2.1 Determination of the settlement instructions for Cancel Runs

The original run has a ratio >1 (e.g. 7 -> 1), thus the cancellation reverts this action and results in a ratio <1 (e.g. 1 -> 7), meaning an increase of the quantity.

In this case one delivery instruction has to be created:

A Free of Payment instruction is created: The sum of Current Quantity Settled/Settled, the sum of Current Quantity Settled/Pending, the sum of Current Quantity Pending/Pending SG and the sum of Current Quantity Pending/Pending OB are accumulated and the respective ratio (e.g., 1:7) has to be applied to get the new sum. The difference (absolute value) between the new and the old sum forms the quantity of the delivery instruction.
If the sum is positive Eurex Clearing AG has to deliver the securities to the CM; in case of a negative sum the CM has to deliver the securities to Eurex Clearing AG.
The pending trades remain unchanged in the CCP.

3.2.2.2 Determination of the settlement instructions for Re-Runs

The ratio >1 means a decrease of the quantity out of the Re-Run, e.g. 10 -> 1.

[7] In case the determination results in a Delivery versus Payment instruction with a quantity of zero Eurex Clearing AG has to decide individually with the respective member how to process this case. Either a cash instruction or two instructions are possible.
In case the determination results in a delivery where cash amount and quantity have the same leading sign Eurex Clearing AG has to decide individually with the respective member how to proceed in this case
This is valid for all possible events.

In this case two delivery instructions have to be created:

1. A Free of Payment instruction is created: For the sum of Current Quantity Settled/Settled, the sum of Current Quantity Settled/Pending and the sum of Current Quantity Pending/Pending OB is accumulated and the ratio is applied to get the new sum.
   The difference (absolute value) between the old and the new sum form the quantity of the delivery instruction free of payment.
   If the sum is negative Eurex Clearing AG has to deliver the securities to the CM; in case of a positive sum the CM has to deliver the securities to Eurex Clearing AG.
   The pending trades remain unchanged in the CCP system.
2. A Delivery versus Payment instruction is created: For the sum of Current Quantity Pending/Pending SG the ratio has to be applied to get the new sum that forms the quantity of the instruction.
   If the sum is positive Eurex Clearing has to deliver the securities to the CM; in case of a negative sum the CM has to deliver the securities to Eurex Clearing.
   The pending trades are deleted and booked out of the CCP.

3.2.3 Nominal Change Ratio < 1

3.2.3.1 Determination of the settlement instructions for Cancel Runs

The original run has a ratio < 1 (e.g. 1 -> 3), thus the cancellation has to revert this action and results in a ratio > 1 (e.g. 3 -> 1), meaning a decrease of the quantity.

In this case two delivery instructions have to be created:

1. A Free of Payment instruction is created: For the sum of Current Quantity Settled/Settled, the sum of Current Quantity Settled/Pending and the sum of Current Quantity Pending/Pending OB should be accumulated and the ratio is applied to get the new sum.
   The difference (absolute value) between the old and the new sum form the quantity of the delivery instruction free of payment.
   If the sum is negative Eurex Clearing AG has to deliver the securities to the CM; in case of a positive sum the CM has to deliver the securities to Eurex Clearing AG.
   The pending trades remain unchanged in the CCP.
2. A Delivery versus Payment instruction is created: For the sum of Current Quantity Pending/Pending SG the ratio has to be applied to get the new sum that forms the quantity of the instruction.
   If the sum is positive Eurex Clearing AG has to deliver the securities to the CM; in case of a negative sum the CM has to deliver the securities to Eurex Clearing AG.
   The pending trades are deleted and booked out of the CCP.

3.2.3.2 Determination of the settlement instructions for Re-Runs

The ratio < 1 means an increase of the quantity out of the Re-Run, e.g. 1 -> 10.

In this case one delivery instructions has to be created:

A Free of Payment instruction is created for all trades that were settled on level CCP – CM / CM – Customer as well as for pending surplus or gross trades: The sum of Current Quantity Settled/Settled, the sum of Current Quantity Settled/Pending, the sum of Current Quantity Pending/Pending SG and the sum of Current Quantity Pending/Pending OB are accumulated and the ratio has to be applied to get the new sum. The difference (absolute value) between the new and the old sum forms the quantity of the delivery instruction.
If the sum is positive Eurex Clearing AG has to deliver the securities to the CM; in case of a negative sum the CM has to deliver the securities to Eurex Clearing AG.
The pending trades remain unchanged in the CCP.

3.2.4 Nominal and ISIN Change

In case of a combined event of nominal value and ISIN change the compensation logic follows the ISIN change as described above with additional application of the ratio resulting from the nominal value change.
The new sums are then instructed in the new ISIN. All pending trades in the old ISIN are deleted.

3.2.5 Additional Rights

3.2.5.1 Determination of the settlement instructions for Cancel Runs

The ISIN of the additional right is deleted and booked out of the CCP. No delivery instructions are determined.

3.2.5.2 Determination of the settlement instructions for Re-Runs

The Re-Run of additional rights is automated and therefore not subject to the compensation partner handling. Please refer to chapter 2.

4 Appendix

4.1 Compensation Partner Report Description RAWCA130 (raw data file)

This raw data file lists trades affected by non-income corporate action events resulting from Cancellations / Re-Runs that must be handled manually between the CCP and the Clearing Member and/or the Clearing Member and Trading Member respectively.

The following table presents the information that will be provided to the member as raw data.

RAWCA130		**Compensation Partner**			
No.	**Field**	**Field Length**	**Data Type**	**Special Format**	**Description**
1	Report ID Code	8	A		Identification of the raw data stream. Values include: "RAWCA130" – Valid data record. "ENDCA130" – End of raw data stream.
2	Report Effective Date	8	N	YYYYMMDD	Business day on which the raw data stream is created.
3	Report Processing Date	8	N	YYYYMMDD	Creation day of the raw data stream.
4	Environment Number	2	A		Environment number this raw data file belongs to. Possible values are: "20" – Production environment. "21" – Simulation environment.
5	Member ID of Clearing Member	5	A		Identification of the Clearing Member.
6	Settlement Location	3	A		Settlement location: e.g. "CBF".
7	Settlement Account	12	A		Branch settlement account.
8	Headquarter Settlement Account	12	A		Headquarter Settlement Account (If no Reg-Über relation exists the head settlement account is filled with the settlement account.)
9	Entitlement Date	8	N	YYYYMMDD	Entitlement date of corporate action event.
10	ISIN	12	A		ISIN of the event affected security.

RAWCA130		Compensation Partner			
No.	**Field**	**Field Length**	**Data Type**	**Special Format**	**Description**
11	Currency	3	A		Settlement currency of the trades.
12	Corporate Action	4	A		Description of corporate action as specified in CBF Custody File in field "KADI-Vorgang 1". "CONV" – Conversion. "SPLF" – Stock split. "PARI" – Pari-Passu. "RHTS" – Rights issue. "BONU" – Bonus issue.
13	Processing Type	1	A		Description of processing as specified in CBF Custody File field "Verarbeitungsart": "C" – Cancellation. "R" – Re-run.
14	Ex Date	8	N		Ex-date of the event.
15	New ISIN	12	A		ISIN of the right or of the security that is to be changed. Empty in case of a pure change of the nominal value.
16	Ratio Numerator	17	N	9.7	Ratio numerator. (In case of a Re-Run filled with CBF adjustment ratio enumerator. In case of a cancellation filled with CBF adjustment ratio denominator)
17	Ratio Denominator	17	N	9.7	Ratio denominator. (In case of a Re-Run filled with CBF adjustment ratio denominator. In case of a cancellation filled with CBF adjustment ratio enumerator)
18	Settlement Status	1	A		Trade delivery status on the level CCP – Clearing Member / Clearing Member – Customer at entitlement day: "C" – settled/pending ("closed"). "P" – pending/pending.
19	Member ID of Exchange Member	5	A		Identification of the Exchange Member.

RAWCA130		Compensation Partner			
No.	**Field**	**Field Length**	**Data Type**	**Special Format**	**Description**
20	Account	2	A		Account type: “A1” or “PP”.
21	Trade Loc	4	A		Trading location – market identification: “XETR”, “XFRA”.
22	TrdTyp	1	A		“O” for OTC trade and ”X” for on-exchange
23	Trade Date	8	N	YYYYMMDD	Trading date.
24	Trade Number	10	A		Trading number as provided from the trading location.
25	Order Number	16	F	16	Order number.
26	Original Quantity	15	N	±10.3	The original quantity at entitlement day for a Re-Run. The quantity after the original runs for a cancellation. Note: Sell trades are indicated with a minus sign.
27	Current Quantity Settl./Settl.	15	N	±10.3	The actual quantity of the trade in the state settled/settled on the processing day. Note: Sell trades are indicated with a minus sign.
28	Current Quantity Settl./Pend.	15	N	±10.3	The actual quantity of the trade in the state settled/pending on the processing day. Note: Sell trades are indicated with a minus sign.

RAWCA130		Compensation Partner			
No.	**Field**	**Field Length**	**Data Type**	**Special Format**	**Description**
29	Current Quantity Pend./Pend. SG	15	N	±10.3	The actual quantity of the trade in the state pending/pending on the processing day (for net trades only the surplus quantity). Note: Sell trades are indicated with a minus sign.
30	Current Quantity Pend./Pend. OB	15	N	±10.3	The actual quantity of the trade in the state pending/pending on the processing day and is assigned to the offsetting block (for net trades only). Note: Sell trades are indicated with a minus sign.
31	Compensation ID FOP	8	N		Identification of the FOP compensation to link the trades involved in one compensation (filed with “00000000” in case of settlement status settled/pending).
32	Compensation ID DVP	8	N		Identification of the DVP compensation to link the trades involved in one compensation (filed with “00000000” in case of settlement status settled/pending).
33	Settlement Amount	16	N	±11.3	Settlement amount for trades that are still pending on level CCP – CM and pending on level CM – customer. Buy trades are indicated with a minus sign. For trades which were settled/pending on the entitlement day or which were pending/pending per entitlement day but are settled/settled or settled/pending per current day, the settlement amount is filled with “0”.

4.2 Handling of Affected Trades in the CCP

The following table gives an overview how the pending trades are handled in the CCP.

		Handling of trades in CCP belonging to			
		gross	surplus	offset	closed
Re-Run	ISIN Change	del	del	del	del
	Nominal change < 1	keep	keep	keep	keep
	Nominal change > 1	del	del	keep	keep
	Nominal and ISIN change	del	del	del	del
Cancellation	ISIN Change	del	del	del	del
	Nominal change < 1	del	del	keep	keep
	Nominal change > 1	keep	keep	keep	keep
	Nominal and ISIN change	del	del	del	del
	Additional Right*	del	del	del	del

del: indicates that the pending trades will be deleted within the CCP and booked out.
keep: indicates that the pending trades will not be deleted within the CCP.
* The underlying pending trades will not be touched as the handling refers to the additional right.

4.3 Reporting of Deleted and Booked Out Trades

The trades that need to be booked out of the CCP are reported respectively in the Settled Delivery Report CE27X. Following table gives an overview how the status of the trades will be displayed. The status after book out of the trades depends on the original settlement status before.

	CCP – CLEARING MEMBER		CLEARING MEMBER – CUSTOMER	
Original Settlement Status	Formatted Report	Raw Data (/CCPSTAT)	Formatted Report	Raw Data (/CMSTAT)
Pending/Pending SG and OB	EXTPROC	EXTPROC	EXTPROC	EXTPROC
Settled/Pending (OB)	SETTLED	SETTLED	EXTPROC	EXTPROC

Legend:

SG: Surplus and Gross

OB: Offset Block

EXTPROC: Externally processed

4.4 Member Communication

The following letters indicates how the members are informed. They are used for all previous mentioned events. The field references refer to the field number in the raw date file of the report CA130.

Two letters are differentiated:

1. Letter for delivery instructions:

This letter informs the member about the delivery instruction that he or Eurex Clearing AG needs to perform in order to correct the trades.

Frankfurt, DD.MM.YYYY

ABC Bank
Member ID ABCFR
Settlement Account: 7xxx0000
Head Settlement Account: 7xyz0000

Re-Run of Nominal Change in DE000123456 as of DD.MM.YYYY

Dear Sirs,

as displayed in the report CA130 dated DD.MM.YYYY the Re-Run in DE000123456 with entitlement date DD.MM.YYYY has to be applied. With the details mentioned on the report all trades pending on the entitlement day require the following adjustment posting/s:

- Please deliver to our CBF account 8505 with regard to the Compensation ID 23:

  150 shares in DE000123456 free of payment as soon as possible

  and with regard to the Compensation ID 24

  220 shares in DE0000123456 against payment as soon as possible

[When receiving shares following content would apply:

- You will receive on your CBF account 7xyz0000 with regard to the Compensation ID 25:

  150 shares in DE000123456 free of payment as soon as possible

  and with regard to the Compensation ID 26

  220 shares in DE000123456 against payment as soon as possible]

Please note that we will conduct the corrections without awaiting your explicit consent.

The final settlement of the adjustment posting will be confirmed separately.

If you have further questions please do not hesitate to contact CCP functional helpdesk under tel.: +49(0)69-211-11940 or email: ccp@deutsche-boerse.com.

Yours faithfully

Eurex Clearing AG

This letter is automatically generated by the system.

2. Letter for the settlement confirmation:

This letter informs the member which instructions have been settled.

Frankfurt, DD.MM.YYYY

ABC Bank
Member ID ABCFR
Settlement Account: 7xxx0000
Head Settlement Account: 7xyz0000

Settlement of adjustment postings

Dear Sirs,

Referring to our letter dated DD.MM.YYYY we herewith confirm the following settlement according to the report CA130 dated DD.MM.YYYY with regard to the Compensation IDs 23 and 24:

We received 150 shares DE000123456 on our CBF account 8505 value DD.MM.YYYY.
We delivered 220 shares DE000123456 on your CBF account 7xyz0000 value DD.MM.YYYY.

If you have further questions please do not hesitate to contact CCP functional helpdesk under tel.: +49(0)69-211-11940 or email: ccp@deutsche-boerse.com.

Yours faithfully

Eurex Clearing AG

This letter is automatically generated by the system.