clear to trade

eurex clearing *circular 074/11*

Date: October 7, 2011
Recipients: All Clearing Members of Eurex Clearing AG and Vendors
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Eurex Clearing Prisma: Initial Member Information Package

Related Eurex Clearing Circular: 060/11

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Content may be most important for:

- Middle + Backoffice
- IT/System Administration
- Auditing/Security Coordination

Attachments:

(only on the Eurex Clearing website)

1. Eurex Clearing Prisma - User Guide Methodology Description (preliminary version)
2. Eurex Clearing Prisma – User Guide Sample Calculation (preliminary version)
3. Eurex Clearing Prisma – Margin Calculation for Test Portfolio Guideline

Summary:

As announced with Eurex Clearing circular 060/11, Eurex Clearing will introduce a new Portfolio Based Risk Management Method in June 2012. An integral part of Eurex Clearing Prisma is the provision of a transparency layer, which enables Clearing Members and Non-Clearing Members to recalculate and reconcile the margin requirement according to the same margin methodology. The “Eurex Clearing Prisma - User Guide Methodology Description” and the complementing Excel file, “Eurex Clearing Prisma - User Guide Sample Calculation” contain a detailed description of the files and data provided by Eurex Clearing including a detailed explanation of the different margin components of Eurex Clearing Prisma and how the different components can be calculated based on the data provided.

In addition, Eurex Clearing is pleased to announce that it is able to offer an indicative calculation of individual client portfolios under the new Eurex Clearing Prisma methodology. The document “Eurex Clearing Prisma - Margin Calculation for Test Portfolio Guideline” contains a description in which formats and how the portfolios should be submitted to Eurex Clearing as well as the respective service levels for returning the results. Please consider that the calculated margin requirements are indicative only.

Eurex Clearing presents all information and documents about Eurex Clearing Prisma in a new section on the Eurex Clearing website under the following path:

www.eurexclearing.com > Member Section > Clearing Services > Eurex Clearing Prisma

Eurex Clearing Prisma: Initial Member Information Package

As announced with Eurex Clearing circular 060/11, Eurex Clearing will introduce a new Portfolio Based Risk Management Method in June 2012. An integral part of Eurex Clearing Prisma is the provision of a transparency layer, which enables Clearing Members and Non-Clearing Members to recalculate and reconcile the margin requirement according to the same margin methodology. In addition, Eurex Clearing is pleased to announce that it is able to offer an indicative calculation of individual client portfolios under the new Eurex Clearing Prisma methodology. The documents described below, as well as the FAQs, which have arisen so far, have been published in the Member Section on the Eurex Clearing website under the following path:

www.eurexclearing.com > Member Section > Clearing Services > Eurex Clearing Prisma

For direct access click on the following link:

https://www.eurexchange.com/members/clearing_services/clearing_prisma/documents_en.html

Eurex Clearing Prisma - User Guide Methodology Description

Purpose of this document is to provide Clearing Members and Vendors with sufficient information to enable them to recalculate the Initial Margin Requirements according to the Eurex Clearing Prisma Margin Methodology. The document contains a description of the different margin components, a description of the files provided by Eurex Clearing and sample calculations of individual margin components. It also provides a step-by-step description of the complete sample calculation from the attached Excel file, Eurex Clearing Prisma - User Guide Sample Calculation".

The version provided with this circular is preliminary, which means that the methods and parameters described in this document reflect the current state, but are still subject to change until the introduction of Eurex Clearing Prisma at the discretion of Eurex Clearing.

Eurex Clearing Prisma - User Guide Sample Calculation

The Eurex Clearing Prisma - User Guide Sample Calculation contains a complete calculation of the Initial Margin and its individual components for a small portfolio according to the Eurex Clearing Prisma Methodology. The file should be used to follow and understand the calculation of the individual margin components and their subsequent aggregation. It cannot be used to estimate the margin requirements of individual portfolios, as the prices and parameters used to calculate the example are illustrative only.

The version provided with this circular is also preliminary, which means that the methods and parameters described in this document reflect the current state, but are still subject to change until the introduction of Eurex Clearing Prisma at the discretion of Eurex Clearing.

Eurex Clearing Prisma - Margin Calculation for Test Portfolio Guideline

The Eurex Clearing Prisma - Margin Calculation for Test Portfolio Guideline allows Eurex Clearing participants (both Clearing Members and Non-Clearing Members or Registered Customers) to evaluate the indicative margin requirements that would be attributed to a portfolio of positions or trades. This document describes the requirements and processes to be followed when providing portfolios to Eurex Clearing to be calculated with the new Eurex Clearing Prisma methodology. Further products might be added to the Test Portfolio Calculation in the future. The document will be updated accordingly.

Should you have any questions or require additional information, please contact Stefan Krause, Vendor Relations & Markets Readiness, tel. +49-69-211-1 96 10 or e-mail: stefan.krause@eurexchange.com.

October 7, 2011