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e u r e x *circular 247/05*

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Recipients: All Eurex members and vendors
Authorized by: Daniel Gisler

High Priority

Clarification of Conditions for Entries of Customer Orders into the OTC Block Trade Entry Facility

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Content may be most important for:	**Attachment:**
➲ Front Office / Trading ➲ Middle + Back Office ➲ Auditing / Security Coordination	Only on the Eurex website: Conditions for Utilization of the OTC Trade Entry Facillities ("General Conditions for Participation")

Content of this circular is the clarification of the matter of regulation described in number 2.4.2 of the "Conditions for Utilization of the OTC Trade Entry Facilities" for OTC Block Trades. A "Block Trade" within the meaning of number 2.4.2 of these conditions shall have occurred if a participant, for its own account or on behalf of a single customer, has agreed, off-exchange, with another participant or another single customer, on the purchase/sale of one or more of the products set out in section 9.3, provided that the number of contracts is not less than the minimum number specified in section 9.3, and provided further that the specifications of such contracts correspond to the contract specifications for these products pursuant to the Eurex Contract Specifications. Accordingly, aggregation of customer orders for the purpose of entering an OTC Block Trade is not permitted in any form. As a result of this clarification, the English translation of the "General Conditions for Participation" will be changed.

We would also like to point out that pursuant to number 3.4, an OTC trade must be entered into the Eurex® clearing system immediately after its conclusion. There is a period of up to thirty minutes (period for ratification) 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. Also, members are obliged to prove to Eurex Clearing AG upon request that an OTC trade has been entered into the Eurex® clearing system without delay pursuant to sentence 1.

This clarification aims at achieving common understanding of this rule amongst all market participants as quickly as possible. Eurex Clearing AG is taking the discussion that arose amongst market participants in the previous weeks as an occasion to check the Conditions for Entries of Customer Orders into the OTC Block Trade Entry Facility in a critical way with regard to compatibility with requirements of the various customer groups.

Should you have any questions, please contact Gabriele Ristau at tel.: +49-69-211-1 57 41 or e-mail: gabriele.ristau@eurexchange.com.