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New Pricing Structure for Clearing and Settlement of Frankfurt Stock Exchange Transactions

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Content may be most important for:	**Attachment:**
➲ All Departments	Eurex Clearing AG Price List, valid as of January 1, 2005

Summary:

Eurex Clearing AG will introduce a new CCP pricing structure for the clearing and settlement of Frankfurt Stock Exchange (FWB) transactions with effect from January 1, 2005. The separation of the currently combined clearing and settlement fees as well as a change in the pricing basis from partial execution to executed order for transactions generated in the Xetra® electronic trading system represent the essential changes of the new pricing structure.

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Aktiengesellschaft mit Sitz in Frankfurt/Main
HRB Nr. 44828
Amtsgericht Frankfurt/Main

New Pricing Structure for Clearing and Settlement of Frankfurt Stock Exchange Transactions

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Major Features of the new Pricing Structure

The main modifications to the pricing structure are listed below. Further details regarding the new pricing structure can be obtained from the attached new Eurex Clearing AG price list, effective as of January 1, 2005. The new Eurex Clearing AG pricing structure is only valid for FWB transactions cleared and settled via the CCP. The settlement fee for non-CCP trades will continue to be charged by Clearstream.

- With the introduction of the new pricing structure clearing and settlement fees for FWB transactions will be calculated separately ("unbundling").
- The new clearing fees for transactions generated on the Xetra electronic trading system will no longer be calculated on the basis of partial executions, but instead per executed order with a variable component. The clearing fee per executed order is 0.52 euro plus a variable fee in the amount of 0.15 basis points. The maximum clearing fee per executed order is 6.20 euro.
- For transactions generated in FWB Floor Trading the new clearing fees are calculated with a flat fee of 0.50 euro per clearing transaction.
- The new, separately calculated settlement fees will be calculated with a flat fee of 0.425 euro per settlement instruction and will be included in a new fee report.
- The service fees charged for Eurex Clearing AG services rendered in connection with clearing and settlement of FWB transactions will remain unchanged within the new pricing structure.

Benefits of the new Pricing Structure

- As a result of the modified pricing structure for the clearing of transactions generated on the Xetra electronic trading system, that is the change in pricing basis from partial execution to the executed order, the members have the opportunity not only to determine the trading fees but also the clearing fees of a given order even before its actual execution. Partial executions that might occur in trading will no longer affect the clearing fees.

- Through the separation of clearing and settlement fees and the calculation of settlement fees based on the actual number of settlement instructions, the members directly benefit from their individual netting efficiency achieved through the CCP.

Details regarding the changes to the fee reporting will be published shortly in a separate circular. Presumably from the end of November 2004, within the scope of the permanent CCP simulation, Clearing Members will have the opportunity to test the new fee reports for the separated clearing and settlement fees.

Should you have any questions or require any further information please feel free to contact the Customer Support Team at telephone +49-69-211-1 17 00 or fax +49-69-211-1 17 01.

Frankfurt, September 28, 2004

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CHANGES ARE MARKED AS FOLLOWS:

AMENDMENTS ARE UNDERLINED

DELETIONS ARE CROSSED OUT

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[...]

5 Transaction and Service Fees of the Frankfurt Stock Exchange (FSE)[1]

For transactions pursuant to Chapter I subsection 1.5.2 of the Clearing Conditions in connection with transactions concluded on the Frankfurt Stock Exchange (FSE) pursuant to Chapter IV subsection 2.1 of the Clearing Conditions in German shares held in collective deposit which are tradable in the electronic trading system of the Frankfurt Stock Exchange (hereafter referred to as "FSE transactions"), Eurex Clearing AG shall charge fees for the settlement and clearing performed by it as well as the services rendered by it in this connection including the settlement of FSE transactions performed by Clearstream Banking AG, Frankfurt. Transaction fees do not include any costs and / or fees for the execution of FSE transactions concluded in the electronic trading system of the Frankfurt Stock Exchange ("Xetra®") or in floor trading of the Frankfurt Stock Exchange.

Notwithstanding the netting procedure provided for FSE transactions pursuant to the Clearing Conditions, the following shall apply to the calculation of the fees to be paid for the aforementioned services:

– For the clearing of orders that have been executed in the electronic trading system Xetra® ("Xetra® transactions") transaction fees will be charged based on the number and the nominal value of the executed orders[2]. For the clearing of transactions that have been concluded in floor trading of the Frankfurt Stock Exchange ("floor trading transactions") transaction fees will be charged based on the number of clearing transactions.~~Each partial execution of an order in Xetra® or in floor trading of the Frankfurt Stock Exchange~~

[1] Part 5 as well as the other provisions of the Price List shall apply mutatis mutandis to the clearing of transactions concluded on the **Rhineland-Westphalia Stock Exchange, Düsseldorf**, which correspond to the characteristics of the transactions concluded on the Frankfurt Stock Exchange described in Chapter IV of the Clearing Conditions which are included in the clearing process performed by Eurex Clearing AG.

[2] The calculation of the clearing fees for Xetra® transactions will be performed per trading day. If a Xetra® order is executed over several trading days, the calculation of the clearing fees will be performed for each trading day.

~~shall be counted as one transaction within the context of the calculation of the transaction fees. Transaction fees shall be calculated on the basis of the number of transactions.~~

– For the settlement of Xetra® and floor trading transactions fees are charged based on the number of settlement instructions taking offsetting of transactions into consideration where applicable.

– Transaction fees and service fees pursuant to No. 5 shall be charged plus the statutory turnover tax applicable at the time.

5.1 Transaction Fees for Gross Delivery Management

In connection with the performance of the clearing of FSE transactions pursuant to Chapter IV subsection 2.1.2 of the Clearing Conditions, Eurex Clearing AG offers an automated service which enables a gross delivery management.

~~To the extent that the aggregation of partial executions of a single order of FSE transactions is selected ("aggregation on order level") within the context of the gross delivery management, only the first 15 partial executions per order and day shall be considered for the calculation of transaction fees regarding each executed order.~~

In accordance with the usage of the automated service provided within the context of the gross delivery management, the fees as set forth below shall be charged.

5.1.1 ~~Gross Processing~~Clearing fees

For the clearing of FSE transactions performed by Eurex Clearing AG, the following fees shall apply.

Xetra®[3][4]		Floor Trading
Fee per Executed Order:	**Fee in EUR based on the nominal value:**	**Fee per Transaction:**
EUR 0.52	0.0015%	EUR 0.50

For Xetra® transactions a maximum fee of EUR 6.20 shall be charged per executed order.

[3] The calculation of the clearing fees for Xetra® transactions will be performed per trading day. If a Xetra® order is executed over several trading days, the calculation of the clearing fees will be performed for each trading day.

[4] If the settlement account or the account type of a Xetra® order is changed, the order shall be counted as multiple Xetra® transactions within the context of the calculation of the clearing fees.

~~In the event of using the processing method on a gross basis for FSE transactions, the following fees shall apply:~~

~~- per transaction in Xetra EUR 0.70~~

~~- per transaction in floor trading EUR 0.70~~

5.1.2 ~~Net Processing~~Settlement fees

For the settlement of FSE transactions that have been cleared through Eurex Clearing AG the following fees shall apply per settlement instruction:

- per securities transfer EUR 0.125

plus cash transfer EUR 0.30

~~In the event of using the processing method on a net basis for FSE transactions, a gradation of fees shall apply which is based on the number of the transactions per settlement netting unit and day marked for net processing. Pursuant to the specifications for the gross delivery management determined by Eurex Clearing AG, a settlement netting unit represents a unit to be determined or entered by a Clearing Member having the effect that the purchase and sale transactions included in such unit are netted prior to their delivery.~~

~~Number of Transactions per Settlement Netting Unit / per Day:~~	~~Fee per Transaction – FSE – Xetra:~~	~~Fee per Transaction – FSE Floor Trading:~~
~~from 1 up to 1000~~	~~EUR 0.55~~	~~EUR 0.55~~
~~from 1001 up to 2500~~	~~EUR 0.53~~	~~EUR 0.53~~
~~from 2501 up to 5000~~	~~EUR 0.51~~	~~EUR 0.51~~
~~from 5001 up to 10000~~	~~EUR 0.49~~	~~EUR 0.49~~
~~from 10001 up to 20000~~	~~EUR 0.47~~	~~EUR 0.47~~
~~more than 20000~~	~~EUR 0.45~~	~~EUR 0.45~~

5.2 Service Fees

For the utilisation of the services offered by Eurex Clearing AG in connection with the clearing and settlement of FSE transactions, the following fees shall be levied:

5.2.1 Service Fees for Gross Delivery Management

Service:	Fee per Transaction:
Marking of a transaction for gross / net processing	EUR 0.00
Blocking / releasing of a transaction via VALUES-API	EUR 0.02
Blocking / releasing of a transaction via data carrier	EUR 0.04

Manual linking of two transactions	EUR 0.075
Automatic linking of two or more transactions	EUR 0.075*
Cancellation of a linking of transactions	EUR 0.00

* If an automatic linking of two or more transactions is selected by a Clearing Member, the use of this service shall be charged in the maximum amount of EUR 1,500 per Clearing Member and month.
If an automatic linking of two or more transactions is selected by one or more settlement institutions commissioned by the Clearing Member, the use of this service shall be charged to the respective Clearing Member in the maximum amount of EUR 1,500 per settlement institution and month.

5.2.2 Service Fees for Provision of Data via Online Requests

In the event of an extraordinarily high utilisation of the system by a Clearing Member, a fee shall be levied for the online request of transactions, to the extent that the number of requests determined by Eurex Clearing AG ("exemption limit") has been exceeded. This exemption limit is determined by various variables and depends on the number of FSE transactions to be cleared as well as on the quantity of use of the system functions per day which are available by means of the gross delivery management.

The exemption limit for charge-free online requests of transactions per day and Clearing Member shall be calculated as follows:

Exemption limit = 0.25 x number of FSE transactions which are settled for the first time in part on the day or which are immediately settled in whole
+ 2.00 x quantity of use of the gross delivery management functions (marking of transactions for gross / net processing, blocking / releasing of transactions, manual / automatic linking of transactions).

The basis for the counting of online requests and the calculation of the fees shall be the data packages sent due to the request; one data package may comprise up to 12 transactions.

For the provision of data packages exceeding the exemption limit, Eurex Clearing AG shall charge the following fee:

- per data package EUR 0.05

5.2.3 Service Fees for Marking and Separating Blocked Transactions

Pursuant to the specifications for delivery processes of FSE transactions determined by Eurex Clearing AG, Eurex Clearing AG offers its Clearing Members the service to mark blocked transactions in a netting block after the conclusion of the Same Day Settlement (SDS2) of Clearstream Banking AG on the day of the contractual settlement day for the respective FSE transaction. In the respective reports, marked transactions shall, with respect to the relationship between the respective Clearing Member and its customer, be marked and separated out as "open", i. e. as not completed.

For the marking of blocked transactions in the netting block and the separating out thereof in reports, the following fees shall be levied:

Service:	Fee per Blocked Transaction and Day after SDS2 of the Contractual Settlement Day
Marking / separating of blocked transactions in the netting block after SDS2	EUR 0.05
Marking / separating of blocked transactions in the netting block after SDS2, in the event of additional use of "deferred cash accounting"	EUR 0.10*

* A monthly minimum fee in the amount of EUR 700 shall be charged to each Clearing Member.

5.2.4 Service Fees for Provision of Reports

Service:	Fee per Report and Month:
Risk Based Margining Reports	EUR 0.00
Raw data reports for Clearing Member or settlement institution	EUR 0.00
Formatted reports for Clearing Member or settlement institution	EUR 300.00
Raw data reports or formatted reports for Exchange participants* of the Frankfurt Stock Exchange	EUR 300.00**

* With the consent of the Clearing Member

** If both the raw data report and the formatted report are provided in parallel, only the provision of one report shall be charged.

5.2.5 Service Fees for Master Data Management

Service:	Fee per Change and Settlement Account
Change of the standard release procedure (positive / negative method)	EUR 100.00
Change of the standard processing procedure (gross / net processing)	EUR 100.00
Change of the settlement netting unit	EUR 100.00
Change of the marking / separating method of blocked transactions	EUR 100.00
Delete / Add a settlement account	EUR 100.00

[...]