X-pand into the Future

e u r e x *circular 135/05*

Date: Frankfurt, August 8, 2005
Recipients: All Eurex members and vendors, CCP members
Authorized by: Daniel Gisler

ISE CCP: Preliminary Version of Clearing Conditions for Eurex Clearing AG and Legal Forms

Related Eurex Circulars: 57/05

Contact: Customer Support, tel. +49-69-211-1 17 00, e-mail: customer.support@eurexchange.com

Content may be most important for:

- Front Office / Trading
- Middle + Back Office
- Auditing / Security Coordination

Attachments:

1. Preliminary Version of Clearing Conditions for Eurex Clearing AG

Legal Forms for ISE CCP:

2. Application for the Granting of a Clearing License of Eurex Clearing AG
3. Information Memorandum to the Application for the Granting of a Clearing License of Eurex Clearing AG
4. Direct Debit Order in Favour of a Clearing Member of Eurex Clearing AG
5. Direct Debit Order for Cash Settlements with Eurex Clearing AG
6. Confirmation of Status at CRESTCo Ltd.

As announced in the communication calendar, we are sending you attached the preliminary version of the Clearing Conditions for Eurex Clearing AG and the legal forms for ISE CCP.

Please note that the attached version of the Clearing Conditions is preliminary and has not been agreed upon by the Management Board of Eurex Clearing AG. It is therefore subject to further change.

The final version of the Clearing Conditions will be provided on September 30, 2005.

VI Chapter: Transactions Concluded at the Irish Stock Exchange

1 Part: General Provisions

Clearing shall include all transactions in shares and rights concluded at the Irish Stock Exchange ("ISE") pursuant to sentence 2 (hereafter referred to as "ISE transactions"). In accordance with ISE, Eurex Clearing AG determines and announces to the Clearing Members which shares and rights concluded at the ISE shall be included in the Clearing pursuant to sentence 1. If and to the extent that the clearing of ISE transactions has been agreed upon between Eurex Clearing AG and ISE, and to the extent that the following rules do not provide otherwise, the provisions set forth in Chapter I of the Clearing Conditions – with the exemption of subsection 1.2.3 – shall also apply to the clearing of ISE transactions.

1.1 Subpart: Clearing Licenses

1.1.1 Granting of Clearing Licenses

A Clearing License is required in order to participate in clearing in respect of ISE transactions within the meaning of Chapter VI section 1, and such License shall be granted by Eurex Clearing AG upon written application; in all other respects, Chapter I subsection 1.1.1 paragraphs (2) and (3) shall apply mutatis mutandis.

Upon request, central banks indicated by Eurex Clearing AG may be released wholly or partially from the obligation to meet the requirements pursuant to paragraph (1) and Chapter VI subsection 1.1.2.

1.1.2 Prerequisites for Clearing Licenses

(1) Prerequisite for a General Clearing License is a liable equity capital (haftendes Eigenkapital) of the applying institution in an amount determined by Eurex Clearing AG. For institutions beyond the scope of the KWG, own funds must be equivalent to the liable equity capital.

Prerequisite for a Direct Clearing License is a liable equity capital of the applying institution in an amount determined by Eurex Clearing AG. For institutions beyond the scope of the KWG, own funds must be equivalent to the liable equity capital.

The calculation of the liable equity capital for the granting of a clearing license for the clearing of transactions concluded at the ISE pursuant to Chapter VI takes into consideration the liable equity capital which the applicant has already provided evidence for because of the granting of a clearing license for the clearing of transactions

pursuant to Chapter V (Frankfurt Stock Exchange). The equity capital which the applicant has already provided evidence for when applying for other Clearing Licenses pursuant to Chapter II (Eurex Deutschland and Eurex Zürich), Chapter III (Eurex Bonds GmbH) and Chapter IV (Eurex Repo GmbH) shall not be considered.

(2) The liable equity capital or equivalent own funds shall be calculated in accordance with the legal provisions in force in the country in which the institution is domiciled. Evidence of the amount of the liable equity capital or the equivalent own funds as of 31 December of every year (*Stichtag* - "Qualifying Date") shall, in an appropriate manner, be provided to Eurex Clearing AG not only together with the application but thereafter once every yearduring the Clearing Membership. Such yearly evidence of the liable equity capital or the equivalent own funds as of the Qualifying Date must be provided to Eurex Clearing AG by no later than 30 June of the year following the respective Qualifying Date. Any change in the liable equity capital or the equivalent own funds as a result of which the value of the liable equity or the equivalent own funds determined by Eurex Clearing AG pursuant to paragraph (1) would be undercut must be notified to Eurex Clearing AG immediately. Eurex Clearing AG may request such evidence at any time and may assign an auditor for verification of the liable equity capital or the equivalent own funds at the expense of the applying institution.

(3) Should the liable equity capital or the equivalent own funds of the applying institution not be sufficient for granting a Clearing License, Chapter I subsection 1.1.2 paragraph (2) shall apply mutatis mutandis.

(4) The applicant shall meet the following additional:

(a) Evidence of a pledged securities account with Clearstream Banking AG or with SegaIntersettle AG.

(b) Evidence of at least one account at a branch of the Central Bank of Germany or an account at the Schweizerische Nationalbank ("SNB"), including a SIC account for the provision of daily securities in cash; Eurex Clearing may allow the usage of accounts at a correspondent bank recognised by Eurex Clearing AG for the cash settlement with Eurex Clearing AG.

(c) The use of appropriate technical equipment (back-office facilities) to ensure the orderly recording, booking and supervision of all transactions, as well as the provision of margin and the calculation of margin requirements pursuant to the minimum requirements of Eurex Clearing AG (clearing obligations). For this purpose, it is required that the applicant has access to both the EDP systems of the CrestCo Ltd ("CREST") and the systems of Eurex Clearing AG. Regarding access to the system of Eurex Clearing AG, the Implementation Regulations of Eurex Concerning Technical Equipment (Implementation Regulations) shall apply mutatis mutandis.

(d) During the business day of Eurex Clearing AG at least one sufficiently qualified member of staff must be present and available by telephone or fax at any time for the orderly fulfilment of the clearing obligations in the back-office.

(e) Payment of the contribution to the Clearing Fund according to Chapter VI subsection 1.2.1.

(f) Evidence of status as clearing undertaking member admitted at CREST pursuant to the respective contractual provisions of CREST valid at that time.

(g) Evidence of status as CREST settlement member admitted at CREST (including securities account and respective cash account at CREST) or evidence that a third company already being admitted at CREST as CREST settlement member (including securities account and respective cash account at CREST) acts as CREST settlement agent on behalf of the applicant pursuant to the provisions of the current regulations of CREST. In the latter case, the applicant has to name the third company which acts on behalf of the applicant as its CREST settlement agent in written form to Eurex Clearing AG.

1.1.3 Conclusion of Transactions

(1) At the Irish Stock Exchange, the only parties to ISE transactions within the meaning of Chapter VI section 1 are Eurex Clearing AG and a Clearing Member by the execution of orders on the Irish Stock Exchange and the transaction confirmation.

(2) With the execution of an order resulting in the conclusion of an ISE transaction within the meaning of Chapter VI section 1 paragraph (1) and the confirmation through the electronic trading system of ISE, a transaction shall be effected between a trading participant at the Irish Stock Exchange to the extent that such trading participant is authorised to engage in clearing activities ("Clearing Member"), and Eurex Clearing AG, and a further transaction shall be effected between Eurex Clearing AG and another Clearing Member. If, in the case of the first sentence, a trading participant at the Irish Stock Exchange is not itself authorised to engage in clearing activities (Non-Clearing Member), a transaction shall, with the execution of its order and the transaction confirmation, be effected between the Non-Clearing Member and a Clearing Member through which it settles its ISE transactions, and an equivalent transaction shall simultaneously take place between the Clearing Member and Eurex Clearing AG. Chapter I subsection 1.2.1 paragraph (2) shall apply mutatis mutandis.

1.1.4 Objections

Any objection to the contents of a transaction confirmation must, prior to the commencement of the next Exchange day of the Irish Stock Exchange, be delivered in writing or by fax to Eurex Clearing AG or the General Clearing Member or the Direct Clearing Member with which the transaction was effected, as the case may be. In the absence of such objection, any such document shall be deemed approved.

1.1.5 Business Days

The business days within the meaning of Chapter VI shall generally be the days determined by the Board of Management of the Eurex Clearing AG which will be announced to the

Clearing Members.

1.2 Subpart: Clearing Fund

1.2.1 Contribution to the Clearing Fund

(1) The Clearing Fund set up by Eurex Clearing AG pursuant to Chapter I subsection 1.6.1 shall also serve to ensure the performance of all transactions concluded at the Irish Stock Exchange, to the extent that Eurex Clearing AG has included such transactions in the clearing process.

(2) With regard to the amount of the contribution to the Clearing Fund to be provided in accordance with Chapter VI subsection 1.1.2 paragraph (4) item e, Chapter I subsection 1.6.1 shall apply accordingly.

This contribution shall be provided by bank guarantees and / or cash or securities collateral. Chapter I subsection 1.1.2 paragraph (2) sentence 2 to 7 shall apply accordingly.

(3) Eurex Clearing AG may use funds from its annual surplus to set aside reserves for the Clearing Fund pursuant to paragraph (1) to contribute to the fulfilment of the obligations of any Clearing Member that may default on its obligations.

1.2.2 Realisation of the Clearing Fund

(1) The contribution to the Clearing Fund provided by a Clearing Member may be used to cover the financial consequences of a default (Chapter I subsection 1.7.1) by itself or by any other Clearing Member.

(2) In case any compensation must be provided for any damage due to a default (Chapter I subsection 1.7.1), Eurex Clearing AG shall realise securities in accordance with the following order of priority:

1. Collateral of the Clearing Member obliged to perform other than that indicated in Chapter VI subsection 1.2.1,
2. the contribution to the Clearing Fund of the Clearing Member obliged to perform pursuant to Chapter VI subsection 1.2.1,
3. the reserves of Eurex Clearing AG pursuant to Chapter VI subsection 1.2.1 paragraph (3),
4. the contributions of all other Clearing Members to the Clearing Fund pursuant to Chapter VI subsection 1.2.1.

The contributions of the other Clearing Members to the Clearing Fund shall be realised on a pro rata basis.

(3) If a defaulting Clearing Member (Chapter I subsection 1.7.1) provides the owed payment after Eurex Clearing AG has realised the contributions of other Clearing Members to the Clearing Fund (subsection 2 no. 4), Eurex Clearing AG shall replenish the contributions of the other Clearing Members with this payment on a pro rata basis, up to the amount of effected realisation at the most.

1.2.3 Replenishment of Contributions to the Clearing Fund

Any realised contribution to the Clearing Fund pursuant to Chapter VI subsection 1.2.1 shall be raised by the Clearing Members to its original amount within ten business days. This requirement shall not apply to any Clearing Member that has terminated its Clearing License by means of a written statement to Eurex Clearing AG no later than on the fifth business day following such realisation.

1.2.4 Release of the Contributions to the Clearing Fund

(1) If Eurex Clearing AG or a Clearing Member terminates the Clearing Membership, Eurex Clearing AG shall release the contribution of the respective Clearing Member to the Clearing Fund pursuant to Chapter VI subsection 1.2.1 one month after notice is given of such termination, but in any event not earlier than one month after the day upon which all positions in the accounts for which the respective Clearing Member handles the clearing have been cleared. The same shall apply mutatis mutandis to collateral pursuant to Chapter VI subsection 1.1.2 paragraph (2).

(2) If another Clearing Member is in default at the time of the termination of such Clearing Membership, or if another Clearing Member falls into default prior to the date on which a contribution to the Clearing Fund is to be released, the release, contrary to paragraph (1), shall only be effected after all obligations of such defaulting Clearing Member to Eurex Clearing AG have been satisfied.

2 Part: Clearing of transactions concluded at the Irish Stock Exchange (ISE)

2.1 Subpart: Settlement of ISE transactions

2.1.1 General Provisions

(1) Eurex Clearing AG shall be a contracting party for all deliveries and payments at the performance of ISE transactions within the meaning of Chapter VI section 1.

(2) Clearing Members must fulfill their delivery and payment obligations in accordance with the instructions of Eurex Clearing AG.

(3) The following shall apply to the procedures for delivery and payment pursuant to paragraph (1):

All physical deliveries and payments shall be concurrently performed between the Clearing Members and Eurex Clearing AG and, accordingly, between Eurex Clearing AG and the Clearing Members which are to receive delivery, on the settlement day. Eurex Clearing AG shall, with respect to the possession of the securities delivered to it, act as a fiduciary owner in favour of the Clearing Members to be delivered in order to transfer the ownership of such securities onward to the Clearing Members which are to receive delivery by way of granting respective security credit, including a specification of the stocking country. Physical deliveries of securities are to be made through the securities account at CREST of Eurex Clearing AG, and the payment is to occur via the respective account determined by CREST. By way of granting security credit of the securities to be delivered in favour of the Clearing Members to be delivered, Eurex Clearing AG justifies a legal position in favour of such Clearing Members equal to the one it has acquired for such securities pursuant to the provisions of the country stocking these securities. With respect to the settlement of transactions concluded by Clearing Members, the transfer of the fiduciary ownership of the securities to be delivered will thus be performed directly between the Clearing Members and Eurex Clearing AG and, after granting of a respective credit by Eurex Clearing AG, respectively between Eurex Clearing AG and the Clearing Members to be delivered.

(4) Transfer of ownership of the securities to the Clearing Member to be delivered shall be deemed to occur when the following conditions have been met:

- CREST involved in the securities transfer or Custodian or Central Securities Depository has posted all bookings from the securities account of Eurex Clearing AG in respect of the transactions settled or not settled by Eurex Clearing AG to the securities accounts of the Clearing Members to be delivered with securities, and

- CREST has conducted cash clearing, and

- the ownership assignment of the securities to be delivered which is necessary for ISE transactions pursuant to Chapter VI number 1 has been executed at the respective responsible registrar in favour of the Clearing Member to be delivered.

(5) All Clearing Members have to guarantee their ability to pay and deliver by holding respective stock in the securities account at CREST and credit at the respective cash accounts.

2.1.2 Daily Settlement

(1) For each delivery of shares not yet performed, profits and losses will be determined on the business day concerned and set off against the collateral provided. For all as yet unperformed deliveries, the amount of collateral to be deposited shall be calculated as the difference between the price at which the transaction was concluded and the daily settlement price for such Exchange day.

(2) The daily settlement price shall be determined by Eurex Clearing AG.

2.1.3 Margin Requirements

(1) The basic provisions for margin requirements as regards positions in shares are set forth in Chapter 1 subsection 1.3.1 paragraphs (1),(2),(4) and (5) and subsections 1.3.3 through 1.3.5. In addition thereto, paragraphs 2 to 4 shall apply.

(2) The calculation of the margin requirements of a Clearing Member or a Non-Clearing Member shall occur separately for Principal Position Accounts and Agent Position Accounts.

(3) Cash and equity positions. Each cash position shall be evaluated at an interest rate fixed by Eurex Clearing AG which will be based on the current market rate. Each equity position will be evaluated on the basis of the settlement prices determined daily by Eurex Clearing AG pursuant to paragraph (2).

(4) In addition to the margin required under paragraph (2), a further margin requirement ("Additional Margin") shall be calculated in an amount sufficient to cover any change to the cost of closing all deliveries not yet performed that cannot be netted in accordance with paragraph (2) assuming the least favorable price development, as determined by Eurex Clearing AG, until the next calculation of the margin requirements.

2.1.4 Delay in Delivery or Payment

(1) If the Clearing Member obligated to deliver is in default and does not deliver the shares owed as a result of a ISE transaction pursuant to Chapter VI Number 1 or connected with or resulting from such or other securities owed on the delivery day in line with the instructions of Eurex Clearing AG, the latter AG shall have the right, unless there is an identical claim with regard to the same class of securities which can be charged up against such liability, to adopt the following measures:

(a) Eurex Clearing AG may implement, on the first business day after the delivery date at the earliest, a replacement for the securities and for the fractional rights resulting from such securities (the “Securities”) which were not delivered, when it believes on the basis of extraordinary risks that the collateral deposited at Eurex Clearing AG for his transactions by the Clearing Member obligated to deliver is no longer adequate to collateralize these transactions, or that there are other material reasons which make it necessary to replace the undelivered securities, the ancillary rights connected with or resulting from such or other securities, respectively.

(b) If the securities to be delivered by the Clearing-Member obligated to deliver are not delivered to the securities account of Eurex Clearing AG at CREST on the fifteenth business day at the latest after the delivery date, Eurex Clearing AG shall replace the undelivered securities. The replacement purchase may be carried out by means of an auction pursuant to item c. If the requisite securities cannot be bought in such auction, or only in part, the Clearing Member in default shall receive a further 3 business days in which to deliver. If the securities to be delivered are not delivered to Eurex Clearing AG on the twentieth business day at

the latest after the delivery date, Eurex Clearing AG shall again attempt to replace the undelivered securities via an auction pursuant to item c.

(c) The following shall apply to the replacement purchase by way of auction:

For each auction, Eurex Clearing AG shall publish a maximum price for each class of securities, which shall constitute the ceiling for bids. The maximum price for such auction shall be the settlement price determined by Eurex Clearing AG for the corresponding class of securities plus an additional charge of 100% of such settlement price.

Any trading participant of ISE ("Vendor") who has concluded a contract with Eurex Clearing AG beforehand may take part in the auctions.

(d) If the required securities cannot be purchased by auction in whole or only in part pursuant to item b clause 4, Eurex Clearing AG can, as regards an unperformed transaction, determine a cash settlement on the 20th business day after the delivery date, so that the performance obligations of the defaulting Clearing Member and of Eurex Clearing AG arising from this transaction with discharging effect expire with effect as of the 21st business day after the delivery day. Instead, the Clearing Member in default shall be obliged to pay cash settlement to Eurex Clearing AG. Transactions of the same nature existing between Eurex Clearing AG and or several other Clearing Members shall apply correspondingly.

The level of the cash settlement payable by the defaulting Clearing Member to Eurex Clearing AG shall be determined by a comparison between the settlement price as defined by Eurex Clearing AG for the corresponding class of securities plus an additional charge of 100% and the highest selling price as well as the highest purchase price of the relevant transactions.

The highest price determined in this way shall be multiplied with the respective number of the defaulting transactions. The resultant sum shall be settled against the respective final amounts of the relevant transactions and shall result in the amount payable to Eurex Clearing AG by the defaulting Clearing Member through cash settlement.

Eurex Clearing AG shall pay out this amount to the other Clearing Members who have made identical transactions with Eurex Clearing AG according to sentence 3.

(e) In case of a capital action of the issuer, Eurex Clearing AG reserves the right to postpone the date of a replacement purchase attempt in a certain securities class.

(2) In case of ancillary rights which have not been transferred by the defaulting Clearing Member in due time, Eurex Clearing AG will adopt the follwing measures:

(a) Eurex Clearing AG will repurchase the ancillary rights which have not been transferred in due time at ISE on the last trading day of such ancillary rights. The

ancillary rights purchased in this way will be transferred to the Clearing Member not having been delivered in due time.

(b) If such a repurchase is not possible in whole or in part or if the ancillary rights are not or no longer traded at ISE, Eurex Clearing AG will determine a cash settlement regarding the non-fulfilled transaction so that the fulfilment obligation of the defaulting Clearing Member and Eurex Clearing AG from this transaction expire with discharging effect. Instead, the defaulting Clearing Member is obligated to pay a cash settlement to Eurex Clearing AG. The same applies with regard to identical transactions existing between Eurex Clearing AG and one or more other Clearing Members.

(c) The amount of the cash compensation to be paid by the defaulting Clearing Member to Eurex Clearing AG shall be determined by Eurex Clearing AG and results from the settlement price determined for the respective type of ancillary rights plus an additional charge in the amount of 100 %.

The price calculated in line with this procedure is multiplied with the respective lot size of the Ancillary Rights which have not been delivered in due time to Eurex Clearing AG; the resulting sum adds up to the amount to be paid by the defaulting Clearing Member in the course of the cash compensation.

Upon receipt, Eurex Clearing AG will distribute this amount to the Clearing Members who have entered into identical transactions with Eurex Clearing AG pursuant to item b clause 3.

(3) Measures set forth in paragraph (1) and 2 shall be binding on and accepted by the Clearing Member which did not receive delivery in a timely manner.

Where Eurex Clearing AG has commenced a replacement purchase of the owed securities pursuant to paragraph (1) by means of an auction, the Clearing member obligated to deliver shall not be authorized to deliver the securities it owes to Eurex Clearing AG on the day of the auction. If the securities to be delivered have been replaced at an auction, the delivery obligations of the Clearing Member in default deriving from the original ISE transaction shall expire with discharging effect. In such case, the defaulting Clearing Member is also obligated to delete the delivery instructions underlying the original transaction in the electronic system of CREST.

To the extent Eurex Clearing AG has made a replacement purchase of owed Ancillary Rights via the ISE pursuant to paragraph 2, the Clearing Member obligated to deliver is not entitled to deliver the owed Ancillary Rights to Eurex Clearing AG as of the day on which the replacement purchase was carried out via ISE. In case a whole or partial replacement purchase of the Ancillary Rights to be delivered was achieved via a German stock exchange or via a consortium bank, the delivery obligations of the defaulting Clearing Member resulting from the original ISE transaction regarding the Ancillary Rights to be transferred in the amount of the replacement purchase made by Eurex Clearing AG of the owed Ancillary Rights expire with discharging effect.

(4) Eurex Clearing AG may deviate from the deadlines defined in paragraph (1) and (2) if adherence to those deadlines would lead to the measures described in paragraph (1) or (2) not replacing the shares in question, or replacing them only with a disproportionate expense of time or money.

(5) The defaulting Clearing Member shall bear the costs arising from measures within the meaning of paragraph (1) and (2). Eurex Clearing AG shall levy upon each defaulting Clearing Member a fee of EUR 250 for each auction held pursuant to paragraph (1), for each securities delivery in default as well as for each measure executed pursuant to paragraph (2) for each securities delivery in default.

(6) Eurex Clearing AG can have recourse against a Clearing Member for damages it or other Clearing Members incur as a result of a default that a Clearing Member has caused.

(7) In the event that the Clearing Member fails to provide the margin demanded for any business day or fails to pay, when they are due, daily settlement payment or other fees in a timely manner, or if such Clearing Member has failed to fulfil any other obligation to Eurex Clearing AG arising under these Conditions, Chapter I subsections 1.7.1 through 1.8.1 shall apply mutatis mutandis.

(8) The right of Eurex Clearing AG and of Clearing Members which did not receive punctual deliveries to claim further damages shall remain unaffected.

2.1.6 Corporate Actions

(1) Where corporate actions are coming into existence in respect of securities which relate to unperformed ISE transactions, these actions will be exercised and settled by CREST vis-à-vis the Clearing Members in their function as CREST settlement members or vis-à-vis the CREST settlement agent commissioned by the Clearing Members pursuant to the respective provisions of CREST for corporate actions valid at that time, including a CCP unless stated otherwise in the following.

(2) Notwithstanding paragraph 1,

(a) a corporate action is to be carried out by a Clearing Member in his function as CREST settlement member or his CREST settlement agent in line with voting rights arising of such corporate action in case of a corporate actions before the dates pursuant to the respective valid provisions of CREST for corporate actions including a CCP. The voting right is to be exercised only in electronic form vis-à-vis CREST. The exercise of a voting right which does not comply with the aforementioned prerequisites, is null and void;

(b) for dividend payments with voting right ("Scrip Dividends"), the voting right is exluded;

(c) the allocation of the vote of the buy- and sell side with regard to concluded ISE transactions is executed automatically in the electronic system of CREST

("automatic allocation engine") and neither the Clearing Member obligated to deliver nor the Clearing Member to be deliverd has the right to veto;

(d) ISE transactions may be divided into several single transactions in certain cases;

(e) the transformation functionality pursuant to the respective valid provisions of CREST regarding corporate actions including a CCP (in particular the transformation of an ISE transaction in line with the corporate action to be executed) are not allowed to be switched off by a Clearing Member in his function as CREST settlement member or by his CREST settlement agent.

(3) Eurex Clearing AG settles corporate actions vis-à-vis its Clearing Members only if the respective delivery obligation cannot be settled in the electronic system of CREST. In such case, Eurex Clearing AG shall notify the respective Clearing Members that the settlement of the respective corporate action will be executed by Eurex Clearing AG. The respective Clearing Members are obligated to follow the instructions of Eurex Clearing AG given in line with the settlement of the corporate action.

(4) If a corporate action which is exercised and settled by CREST or settled by Eurex Clearing AG is not regulated by aforementioned provisions, the Clearing Members obligated to deliver have to transfer the respective securities pursuant to the specified instructions contained in the provisions set forth by Eurex Clearing AG. Eurex Clearing AG will transfer the securities to be delivered by it which are affected by the corporate action to the Clearing Members to be delivered accordingly. Clause 1 and 2 apply mutatis mutandis regarding cash payments which are to be made by Clearing Members because of corporate actions not being regulated in aforementioned provisions.

Appendices:
Form Agreements

1. Clearing Agreement (Eurex Clearing AG / Clearing Member)

1.1 CM Clearing Agreement

Clearing Agreement

between

Eurex Clearing AG, Frankfurt/Main,

(hereinafter referred to as "AG")

and

_____

Clearing Member (hereinafter referred to as the "CM")

1. Applicable Legal Provisions

The respective rights and obligations of AG and the CM are set forth in the Clearing Conditions of AG; the Clearing Conditions, in the respective German version valid at the time, are an integral part of this Agreement. Furthermore, the rules and regulations set forth in the Appendix hereto shall apply.

2. Provision of Margin in the Form of Securities

In order to provide margin in accordance with subpart "Margin" of the Clearing Conditions of AG, the CM hereby pledges to AG all securities which are at present or will in the future be deposited in the pledged securities account maintained exclusively for the AG by the CM with a Bank for central depository of securities which is recognized by AG or at a Custodian oder Central Securities Depository ("CSD"). For the purpose of such pledge, the CM hereby assigns its rights to claim these securities from such CSD to AG. The CM shall promptly notify the CSD of the conclusion of this agreement to pledge securities.

The CM represents and warrants that it is the owner of the pledged securities or is otherwise authorised to pledge these securities and that such securities are not subject to any prior or equal claims of third parties. The CM shall not, for the duration of such pledge, permit any such claims to arise without the prior consent of AG.

In the event of a default by the CM, AG may according to the provisions of subpart "Default" of the Clearing Conditions sell the pledged securities without prior notice in a private sale.

3. Cash Clearing

(1) The CM hereby agrees to instruct a Branch of the Central Bank of the Federal Republic of Germany (Deutsche Bundesbank) to honour any debit instructions (Lastschriften) in EUR submitted by AG against the account of the CM for all cash claims in EUR against the CM, to debit the relevant amount from its account maintained with a Branch of the Central Bank of the Federal Republic of Germany (Deutsche Bundesbank), and to transfer such amount to AG's account at a Branch of the Central Bank of the Federal Republic of Germany (Deutsche Bundesbank). AG shall provide that any surplus cash balance that the CM may have in its internal EUR cash clearing account with AG is credited to the account at a Branch of the Central Bank of the Federal Republic of Germany (Deutsche Bundesbank).

(2) AG may allow the use of accounts of a correspondent bank recognised by AG for purposes of cash clearing with AG.

4. Authorisation to Give Delivery Instructions

The CM hereby agrees to authorise AG, by providing the appropriate power of attorney vis-à-vis the respective CSD recognised by AG, to give, release and transmit all delivery instructions in the name of the CM and binding for and against the CM and to supplement, change or cancel the delivery instructions necessary for the timely and correct fulfilment of its delivery and payment obligations vis-à-vis AG arising from transactions which are included in the Clearing License granted to the CM (see Appendix).

5. Revocation of Powers of Attorney and Debit Instructions

The powers of attorney and debit instructions provided within the context of this Agreement may not be revoked by the CM until its Clearing License has been terminated. Any such revocation shall result in the immediate termination of the Clearing License. If the Clearing License ends, all powers of attorney and debit instructions shall be deemed revoked.

6. Term

This Agreement shall be entered into for an indefinite period of time and shall remain in effect until it is terminated by one of the contracting parties pursuant to the Clearing Conditions of AG.

7. Governing Law, Place of Performance

This Agreement shall be governed by, and construed in accordance with, German law. The place of performance and the jurisdiction for any legal proceedings shall be Frankfurt/Main.

8. Severabilitiy Clause

If individual provisions are invalid or unenforceable, this shall not affect the validity of the Agreement as a whole. If this Agreement contains an invalid or unenforceable provision or an omission, the invalid provision should be replaced with an appropriate provision which corresponds as closely as possible to the economic content of the invalid provision; in the case of an omission, the omission should be rectified with a provision which most closely corresponds to that which the contractual parties would have intended had they considered the point in question.

Place and Date

On behalf of the CM

Place and Date

On behalf of AG

Appendix / Appendices

1.2 Appendix to the CM Clearing Agreement

Appendix to the Clearing Agreement between Eurex Clearing AG and [Company/CM] dated [Date]

In addition to the above-mentioned Clearing Agreement, the following shall apply:

Chapter I: Type of the Clearing License

The CM shall be granted:

☐ General Clearing License.

A General Clearing License entitles the General Clearing Member (GCM) to clear its own transactions, customers' transactions as well as transactions of Exchange Participants without Clearing Licenses (Non-Clearing Member - NCM).

or

☐ Direct Clearing License.

A Direct Clearing License entitles the Direct Clearing Member (DCM) to clear its own transactions, customers' transactions as well as transactions of affiliated Non-Clearing Members. The type and scope of the group of affiliated companies shall be determined by AG.

Chapter II: Scope of the Clearing License

The Clearing License granted pursuant to Chapter I refers to the clearing of the following transactions:

☐ Clearing of transactions concluded at Eurex Deutschland and Eurex Zürich

In this respect, the following rules shall apply:

a) Applicable Legal Provisions

Furthermore, the Exchange Rules for Eurex Deutschland and Eurex Zürich, the Conditions for Trading at Eurex Deutschland and Eurex Zürich and all other regulations of Eurex Deutschland and Eurex Zürich shall apply in the German version valid at the time.

b) Provision of Margin

If the CM is domiciled in Switzerland, margin may also be provided in the form of book-entry securities deposited in the pledged securities account with a CSD recognised by AG. If book-entry securities are deposited in the pledged securities account of the CSD, such book-entry securities shall hereby be assigned by the CM to AG. In all other respect, the provision pursuant to No. 2 paragraph (1) of the CM Clearing Agreement between AG and the CM dated <Date> shall apply mutatis mutandis.

Furthermore, the CM represents and warrants that it is the holder of the assigned book-entry securities and is authorised to assign these book-entry securities, and that such securities are not subject to any prior or equal claims of third parties. The CM shall not, for the duration of such assignment, permit any such claims to arise without the prior consent of AG. The CM hereby authorises AG in the event of realisation in its name to require from the CSD recognised by AG that the assigned registered shares be deleted from the respective shareholders' registers.

c) Cash Clearing

(1) The CM undertakes to authorise AG to debit all claims in CHF against the CM as calculated by AG from the account of the CM (SIC account) at the Schweizerische Nationalbank (SNB). AG shall provide that any surplus cash balance that CM may have on its CHF money clearing account with AG shall be credited to the CM's account at SNB (SIC account).

(2) The CM hereby agrees to provide for a timely cover of the foreign currency accounts maintained with the bank recognised by AG for the daily settlement payments from foreign currency products calculated by AG. Furthermore, the CM shall instruct such bank to honour any debit instructions (Lastschriften) in foreign currency submitted by AG against the accounts of the CM for all cash claims against the CM, to debit the relevant amount from its foreign currency account maintained with such bank, and to transfer such amount to the respective account of AG. AG shall provide that any surplus cash balance that the CM may have in its respective cash clearing account with AG shall be credited to the respective foreign currency accounts of the CM with the bank recognised by AG.

d) Authorisation to Give Delivery Instructions

The granting of a Clearing License for transactions at Eurex Deutschland and Eurex Zürich does not require the granting of an authorisation to AG to give delivery instructions.

☐ **Clearing of transactions concluded at Eurex Bonds GmbH**

Applicable Legal Provisions

Furthermore, the Terms and Conditions for Participation and Trading on Eurex Bonds GmbH shall apply in the respective German version valid at the time.

☐ **Clearing of transactions concluded at Eurex Repo GmbH**

Applicable Legal Provisions

Furthermore, the Terms and Conditions for Participation and Trading on Eurex Repo GmbH shall apply in the respective German version valid at the time.

☐ **Clearing of transactions concluded at the Frankfurt Stock Exchange**

Applicable Legal Provisions

Furthermore, the regulations of the Frankfurt Stock Exchange shall apply in the respective German version valid at the time.

☐ **Clearing of transactions concluded at the Irish Stock Exchange (ISE) and included in the clearing**

a) Applicable Legal Provisions

The regulations and trading conditions of the Irish Stcok Exchange in their respective valid version apply.

b) Power of attorney for issuing of delivery instructions.

The granting of a clearing license for transactions at the Irish Stock Exchange does not require the granting of a power of attorney to the AG for issuing of delivery instructions.

Place and Date

On behalf of the CM

On behalf of AG

2. Clearing Agreement (Eurex Clearing AG / Non Clearing Member / Clearing Member)

2.1 NCM CM Clearing Agreement

NCM-CM Agreement

between

_____

as Clearing Member (hereinafter referred to as the "CM")

and

_____

as Non-Clearing Member (hereinafter referred to as the "NCM")

and

Eurex Clearing AG (hereinafter referred to as "AG"), Frankfurt/Main.

1. Applicable Legal Provisions

The respective rights and obligations of AG, the CM and the NCM are set forth in the Clearing Conditions of AG; the Clearing Conditions in the respective German version valid at the time are an integral part of this Agreement. Furthermore, the rules and regulations set forth in the Appendix hereto shall apply.

2. Legal Relationships; Liability

(1) All entries made by the NCM into the trading system shall in accordance with Chapter II of the attachment to the NCM-CM-Clearing Agreement be directly binding for and against the CM. If an order or quote entered by the NCM is matched with another order or quote, a transaction shall be effected thereby between the NCM and the CM and a further, equivalent transaction shall be effected thereby between the CM and Eurex Clearing AG.

(2) The CM is required to notify the management of the respective Exchange or trading platform, as the case may be, promptly if a Non-Clearing Member represented by it fails to meet its margin requirements in a timely manner.

(3) Neither AG nor the CM shall be liable for any losses incurred by the NCM due to interruption of its operations as a consequence of force majeure, riot, acts of war or natural disasters or other events for which either AG or the CM, as the case may be, is not responsible (e.g., strikes, lock-outs, disruption of communications) or that may result from the actions of domestic or foreign governmental authorities. For damages suffered by the NCM or the CM as a consequence of technical problems or of the full or partial unavailability of the EDP devices or EDP system of the Exchange(s) or of the operator of the trading platform used by such NCM or CM, AG or the CM shall be liable to the extent that intentional misconduct or gross negligence by AG or the CMor third parties assisting in their performance can be demonstrated, unless the damage has resulted from a culpable breach by AG or the CM of their principal duties. The liability of AG or the CM shall be limited, however, in such a case if only ordinary negligence occurred to the amount of damages typically foreseeable at the time of execution of the agreement.

3. Netting Procedure in the Relationship between CM and its NCM

The CM and the NCM hereby agree on the following netting procedure:

(1) At the end of each trading day, the CM shall net against the NCM its claims and liabilities regarding cash payments or securities transfers arising out of transactions of the NCM, in the clearing process of which the CM is involved pursuant to the Clearing Conditions for Eurex Clearing AG and this Clearing Agreement. Such netting procedure shall result in one net claim or liability, with the consequence that there is only one such net claim or liability regarding a cash payment or securities transfer in the relationship between CM and NCM.

(2) The netting of the cash payments and securities transfers pursuant to paragraph (1) shall be made separately with respect to the transactions as set forth in the individual chapters of the Clearing Conditions for Eurex Clearing AG, in the clearing process of which the CM is involved. The claims or liabilities regarding cash payments and securities transfers resulting from such netting shall not be netted against each other.

(3) The netting procedure pursuant to paragraphs (1) and (2) shall be conducted separately with respect to transactions on Principal Position Accounts and Agent Position Accounts.

4. Term

This Agreement shall remain in effect until it is terminated by one of the parties thereto in accordance with subsection 1.9.3 of the Eurex Clearing Conditions.

5. Governing Law; Place of Performance

This Agreement shall be governed by, and construed in accordance with, German law. The place of performance and the jurisdiction for any legal proceedings shall be Frankfurt/Main.

6. Saving Clause

If individual provisions are invalid or unenforceable, this shall not affect the validity of the Agreement as a whole. If this Agreement contains an invalid or unenforceable provision or an omission, the invalid provision should be replaced with an appropriate provision which corresponds as closely as possible to the economic content of the invalid provision; in the case of an omission, the omission should be rectified with a provision which most closely corresponds to that which the contractual parties would have intended had they considered the point in question.

Place and Date

On behalf of the CM

On behalf of the NCM

On behalf of AG

Appendix/Appendices

2.2 Appendix to the NCM-CM Clearing Agreement

Appendix to the NCM-CM Agreement between Eurex Clearing AG, [Company/NCM] and [Company/CM] dated [Date]

In addition to the above-mentioned Clearing Agreement, the following shall apply:

Chapter I: NCM-DCM Relationship

To the extent that an NCM-CM Agreement shall be entered into by an NCM and a DCM, this is only permissible if the NCM is, in relation to the DCM, an affiliated company. The type and scope of the group of affiliated companies shall be determined by the Executive Board of AG. The CMs shall be notified thereof. NCM and DCM shall be obligated to inform the Executive Board of AG promptly in the event that they cease to meet such prerequisites.

Chapter II: Transactions Included in the NCM-CM Agreement

☐ **Clearing of transactions concluded at Eurex Deutschland and Eurex Zürich**

a) Scope of Entries into the Trading System by the NCM

The NCM may enter, with immediate effect, on behalf of the CM into the trading system of Eurex Deutschland and Eurex Zürich.

[Please tick what is applicable]

O all tradable products

O all tradable products except products approved by the Commodity Trading Futures Commmission (CFTC), USA

b) Applicable Legal Provisions

Furthermore, the Exchange Rules for Eurex Deutschland and Eurex Zürich, the Conditions for Trading at Eurex Deutschland and Eurex Zürich and all other regulations of Eurex Deutschland and Eurex Zürich shall apply in the respective German version valid at the time.

c) General Obligations

If an affiliated NCM is also an Exchange Participant at Eurex Zürich, any obligation to be fulfilled vis-à-vis the Board of Management of Eurex Deutschland pursuant to the Clearing Conditions shall also be fulfilled vis-à-vis the Board of Management of Eurex Zürich. In this

case, the transmission of a notification regarding the fulfilment of such obligation to Eurex Deutschland or Eurex Zürich shall be deemed sufficient.

☐ Clearing of transactions concluded at Eurex Bonds GmbH

a) Applicable Legal Provisions

Furthermore, the Terms and Conditions for Participation and Trading on Eurex Bonds GmbH shall apply in the respective German version valid at the time.

☐ Clearing of transactions concluded at Eurex Repo GmbH

a) Applicable Legal Provisions

Furthermore, the Terms and Conditions for Participation and Trading on Eurex Repo GmbH shall apply in the respective German version valid at the time.

b) Legal Relationships

A Repo Transaction designates a purchase/sale of securities and their simultaneous forward resale/repurchase. Thus, it consists of a purchase agreement ("Front Leg") and the simultaneous repurchase agreement ("Term Leg") for securities at a set date.

☐ Clearing of transactions concluded at the Frankfurt Stock Exchange and included in the Clearing

a) Applicable Legal Provisions

Furthermore, the rules and regulations of the Frankfurt Stock Exchange shall apply in the respective German version valid at the time.

☐ Clearing of transactions concluded at the Irish Stock Exchange (ISE) and included in the Clearing

a) Applicable Legal Provisions

Furthermore, the rules and regulations of the Irish Stock Exchange shall apply in their respective Irish version valid at the time.

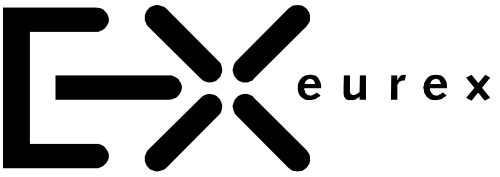
Place and Date

On behalf of the CM

On behalf of the NCM

On behalf of AG

Application for the Granting of a Clearing License
of Eurex Clearing AG



Eurex Clearing AG
Customer Support

60485 Frankfurt am Main

Applicant

Name of applying company

Address

First name and name of contact

Telephone Fax no.

Application for the Granting of a Clearing License

1) Pursuant to Chapter 1, Subsection 1.1.1 of the Clearing Conditions of Eurex Clearing AG, we herewith apply for a

☐ General Clearing Membership ☐ Direct Clearing Membership

for

☐ Eurex Derivatives ☐ Eurex Bonds ☐ Eurex Repo ☐ FWB Equities ☐ ISE Equities

as authorisation for the participation in the clearing process of Eurex Clearing AG.

2) We are

☐ an institution domiciled in a country of the European Union or Switzerland pursuant to Chapter 1, Subsection 1.1.1 paragraph 3 (a) of the Clearing Conditions of Eurex Clearing AG.

☐ a branch office/subsidiary of an institution within the meaning of § 53, 53 b or 53 c of the German Banking Act (KWG) or a subsidiary within the meaning of Art. 2 paragraph 1 of the Swiss Federal Banking and Savings Bank Act in connection with Section 1 et seq. of the Regulation of the Swiss Banking Commission (Eidgenössische Bankenkommission) concerning Foreign Banks in Switzerland (Chapter I, subsection 1.1.1 paragraph 3 (c), if said subsidiary shows compliance with the conditions set forth in chapter I, subsection 1.1.1 paragraph 3 (a) and 1.1.2 of the Clearing Conditions of Eurex Clearing AG.

☐ any other branch domiciled in a country of the European Union pursuant to Chapter 1, Subsection 1.1.1 paragraph 3 (d) and (e) of the Clearing Conditions of Eurex Clearing AG.

3) The Clearing Membership shall be granted to

☐ our principal office

or

☐ our branch office

Name of branch office

Full address of branch office

4) Contribution to the Clearing Fund

☐ The contribution to the Clearing Fund pursuant to Chapter I, Subsection 1.6.1 par 1 and respective Chapter II, Chapter III, Chapter IV, Chapter V and Chapter IV of the Clearing Conditions of Eurex Clearing AG has already been provided to Eurex Clearing AG within an already existing admission as DCM/GCM at Eurex Clearing AG.

The contribution to the Clearing Fund will be provided by

☐ bank guarantee of a credit institution in the amount of EUR* _____
and/or
☐ providing of securities (in its pledged securities account at Clearstream Banking AG oder SegaIntersettle AG) in the amount of EUR* _____
or
☐ cash for direct debit by Eurex Clearing AG in the amount of EUR* _____

*Or the equivalent amount in the currency of the home country of the applicant.

5) The following account shall be used as pledged securities account:

☐ Clearstream Banking AG account number _____
or
☐ SegaIntersettle AG account number _____

6) For cash clearing the following acounts shall be used:

☐ Account number of the account at a branch of the Deutsche Bundesbank _____

Additionally for a Clearing License for the Clearing of Transactions at Eurex Deutschland and Eurex Zurich:

☐ Schweizerische Nationalbank (SNB) account number: _____

including SIC-account number _____

☐ Clearstream Banking AG foreign currency account number: _____

For a Clearing License for the Clearing of Transactions at Eurex Deutschland and Eurex Zurich
Selection of Margin Currency

☐ EUR

☐ CHF

7) The following account shall be used for the securities settlement:

a) For a Clearing License for the Clearing of Transactions at Eurex Deutschland and Eurex Zurich

☐ Clearstream Banking AG securities account _____

☐ SegaIntersettle AG account number _____

☐ An application for permission of a further institute, recognized by Eurex Clearing AG, for evidence of a securities account is enclosed.

b) For a Clearing License for Clearing of Transactions at Eurex Bonds GmbH and at Eurex Repo GmbH: Account number with Custodian or a Central Securities Depository

Information regarding the securities account shall be submitted by separate application for the set-up of settlement account.

c) For a Clearing License for Clearing of Transactions at Eurex Bonds GmbH and Clearing of Transactions through the System of Eurex Repo GmbH: Selection of Margin Currency

☐ EUR

☐ CHF

If CHF is selected as Margin Currency, it is necessary to provide the account number at the Schweizerische Nationalbank (SNB):

Schweizerische Nationalbank (SNB) account number: _____

d) For a Clearing License for Clearing of Transactions through the System of Eurex Repo GmbH: GC Pooling

☐ GC Pooling as per separate application for participation

e) For a Clearing License for Clearing of Transactions concluded at the Frankfurt Stock Exchange:

Information regarding the securities account shall be submitted by separate application for the set-up of settlement account.

f) For a Clearing License for the Clearing of Transactions at Irish Stock Exchange (ISE):

☐ We confirm, that we are CM Undertaking at CRESTCo Ltd. (we have enclosed a copy of the confirmation of admission at CRESTCo Ltd.)

Additionally, we confirm that

☐ we are Crest Settlement Member at CRESTCo Ltd., or

☐ we use the following Crest Settlement Member(s) at CRESTCo Ltd.:

_____

_____

8) With respect to the back office, we provide the following binding statement:

We have appropriate technical equipment (back-office facilities) to ensure the orderly recording, booking and supervision of all transactions as well as the provision of margin and the calculation of margin requirements pursuant to the minimum requirements of Eurex Clearing AG (clearing obligations).

Name of Back-Office Software: _____

We confirm that we have at least one sufficiently qualified member of staff for the orderly fulfilment of the clearing obligations and that this staff is present and available during the business day by telephone or fax at any time.

9) General

We herewith confirm that we are aware of the Clearing Conditions for Eurex Clearing AG, the Exchange Rules of Eurex Deutschland and Eurex Zürich as well as, if applicable, the Exchange Rules of the Frankfurt Stock Exchange, the Terms and Conditions for Participation on Eurex Bonds and/or Eurex Repo in their respective valid version.

We are aware of the fact that our admission as Clearing Member will be published.

We have enclosed two copies of the Clearing Agreement signed by ourselves to this application.

Place and date

Company stamp and signature
(Name in Capitals)

Information Memorandum to the Application for the Granting of a Clearing License of Eurex Clearing AG

The following institutions are eligible to apply:

- Institutions domiciled in a country of the European Union or in Switzerland pursuant to chapter I, subsection 1.1.1, paragraph 3 (a) of the Clearing Conditions for Eurex Clearing AG
- Branches pursuant to chapter I, subsection 1.1.1, paragraph 3 (b) of the Clearing Conditions for Eurex Clearing AG
- Branches pursuant to chapter I, subsection 1.1.1, paragraph 3 (c)
- Other branches pursuant to chapter I, subsection 1.1.1 paragraph 3 (d) + (e) of the Clearing Conditions for Eurex Clearing AG

The following documents and evidences shall be enclosed to the application for the purpose of proving the eligibility to apply, pursuant to chapter I, subsections. 1.1.1 and 1.1.2 in conjunction with chapter II (Clearing License for Clearing of Transactions at Eurex Deutschland and Eurex Zurich), chapter III, subsections 1.1.1 and 1.1.2 (Clearing License for Clearing of Transactions at Eurex Bonds GmbH), chapter IV, subsections 1.1.1 and 1.1.2 (Clearing License for Clearing of Transactions through the System of Eurex Repo GmbH), chapter V, subsections 1.1.1 and 1.1.2 (Clearing License for Clearing of Transactions concluded at the Frankfurt Stock Exchange), chapter VI, subsections 1.1.1 and 1.1.2 (Clearing License for Clearing of Transactions concluded at the Irish Stock Exchange (ISE):

Please only submit the documents which are relevant to the Clearing License applied for:

1) Confirmation of the supervisory authority:

- Issued by responsible authorities of its country of origin for any institution domiciled in a country of the European Union or Switzerland; the license covers the conduct of safe custody business, lending operations and the receipt of collateral in the form of cash or securities pursuant to chapter I, subsection 1.1.1 paragraph 3 (a) of the Clearing Conditions for Eurex Clearing AG;
- In the case of branch offices, confirmation letter of the Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin) or for Swiss branches confirmation of the Eidgenössische Bankenkommission (EBK) regarding the opening of business of such branch office as well as the confirmation of the responsible Authority of the country of the applicant providing the evidence of the license for conduct of safe custody business, lending operations and the receipt of collateral in the form of cash or securities.
- In case of a branch office pursuant to chapter I, subsection 1.1.1 paragraph 3 (d) of the Clearing Conditions for Eurex Clearing AG domiciled in a country of the European Union, confirmation of the national supervisory authority (home member state) that the respective main office (financial institution, securities trading enterprise) domiciled in a country of the European Union ("home member state") has been licensed for safe custody business, lending operations and receipt of collateral in the form of securities and cash and is under the corresponding supervision of its national supervisory authority.
- In case of a branch pursuant to chapter I, subsection 1.1.1 paragraph 3 (e) of the Clearing Conditions for Eurex Clearing AG additionally evidence that there are no legal restrictions in the home member state for institutions domiciled in a country of the European Union to establish subsidiaries abroad; that a notification procedure has been completed in the host member state; and that the subsidiary or the institution complies with the liable capital requirement of chapter I, subsection 1.1.2.

2) Liable Equity Capital

The requirement of liable equity capital is as follows:

- Eurex Derivatives - GCM = € 125 Million liable equity capital
  - DCM = € 12,5 Million liable equity capital
- Eurex Repo - GCM = € 175 Million liable equity capital
  - DCM = € 17,5 Million liable equity capital
- Eurex Bonds - GCM = € 50 Million liable equity capital
  - DCM = € 5 Million liable equity capital
- FWB Equities - GCM = € 25 Million liable equity capital
  - DCM = € 2,5 Million liable equity capital
- ISE Equities - GCM = € 25 Million liable equity capital
  - DCM = € 2,5 Million liable equity capital

The aforementioned amounts are minimum requirements.* Additionally a calculation in relation to the "total margin requirement" (Dynamic calculation of Liable Equity Capital – chapter I, subsection 1.1.2 of the clearing conditions of Eurex Clearing AG) will take place. The total margin requirement includes all products of the respective clearing member; derivatives, bonds, repos and equities. Please see Eurex circular 097/03 for details of calculation.

Evidence of the company's liable equity capital (haftendes Eigenkapital) or own funds which are equivalent to the liable equity capital, by way of submission of a certified confirmation of an external auditor or a certified copy of the legal authorities confirmation regarding the determination of liable equity capital.

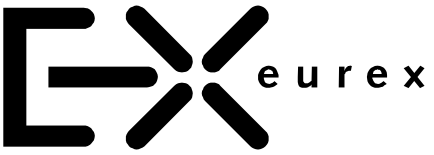
The liable equity capital is the sum of core capital and supplementary capital deducting the positions according to § 10, paragraph 6, subsection 1 KWG. The liable capital or own funds shall be calculated in accordance with the legal provisions in force at the location of the branch of the credit institution or bank concerned (chapter I, subsection 1.1.2 paragraph 1 respectively chapter II, respectively chapter III, subsection 1.1.2 respectively chapter IV subsection 1.1.2, respectively chapter V subsection 1.1.2, respectively chapter VI subsection 1.1.2 of the Clearing Conditions for Eurex Clearing AG).

A previous evidence of liable equity capital which is older than one year cannot be accepted when applying for a new General- or Direct Clearing License.

For branch offices of foreign enterprises, evidence of the liable equity capital or own funds shall be provided by way of submission of a certified confirmation of an external auditor based on the following*:*

- For domestic branch offices pursuant to §53 of the German Banking Act (compare §53, paragraph 2, subsection 4 of the German Banking Act) within the meaning of §10 of the German Banking Act.
- For domestic branch offices pursuant to §53 b or 53 c of the German Banking Act in the sense of §10 of the German Banking Act.
- For domestic branch offices pursuant to Article 2 Paragraph 1 BankG in connection with Article 1ff of the Regulation of the Swiss Banking Commission (EBK) regarding Foreign Banks in Switzerland (ABV) pursuant to article 11-11c.
- For other branches pursuant to chapter 1, subsection 1.1.1 paragraph 3 (d) + (e) of the Clearing Conditions for Eurex Clearing AG, evidence of the liable equity capital or own funds.

* Furthermore, the liable equity capital for which evidence has already been provided when applying for Clearing Licenses for clearing transactions concluded at Eurex Deutschland and Eurex Zürich as well as Eurex Bonds GmbH, will continue to be considered for clearing transactions concluded at Eurex Repo GmbH. As before, liable equity capital for which evidence has already been provided for clearing transactions concluded at FSE will be not taken into account. Furthermore, the liable equity capital for which evidence has already been provided when applying for Clearing Licenses for clearing transactions concluded at FSE, will continue to be considered for clearing transactions concluded at the Irish Stock Exchange (ISE). As before, liable equity capital for which evidence has already been provided for clearing transactions concluded at Eurex Repo GmbH, Eurex Deutschland and Eurex Zürich as well as Eurex Bonds GmbH will be not taken into account.



Should the applying institution have insufficient liable equity capital or equivalent own funds for a Clearing License, Eurex Clearing AG may determine that the shortfall may be made up by a bank guarantee and/or collateral in cash or securities.

The bank guarantee shall be furnished by a bank domiciled in the European Union or Switzerland recognised by Eurex Clearing AG. The applying institution and the bank which furnishes the guarantee must be different legal entities. The form and extent of an admissible group relation between the applying institution and the bank which furnishes the guarantee shall be determined by Eurex Clearing AG. The bank guarantee shall contain the bank's unconditional and irrevocable obligation to provide for payment of the guaranteed amount into an account indicated by Eurex Clearing AG upon its first demand. The type, contents and form of the bank guarantee shall be determined by Eurex Clearing AG.

Institutions within the meaning of chapter I, subsection 1.1.1, paragraph 3 items c, d, and e must guarantee in writing by use of a form that, upon the first request of Eurex Clearing AG, they will meet all obligations of its branches out of the clearing activities without limitation.

3) Most recent (not older than 1 year) **excerpt from the Register of Companies** (Handelsregisterauszug), certified by a court or a notary, for the purpose of providing evidence of

- the registration of the applicant's principal office and/or branch office
  and
- the persons entrusted with the management and representation of the company.

4) Contribution to the Clearing Fund: Contribution to the Clearing Fund pursuant to chapter I, subsection 1.6.1. of the Clearing Conditions for Eurex Clearing AG in the amount of

- EUR 1 million (DCM)
  or
- EUR 5 million (GCM)
  or
- in the form of a Guarantee of a credit institution seated in a country of the European Union or Switzerland and/or margins in securities or cash in the equivalent amount in the currency of the country of the applicant. (Eurex Clearing AG will determine the amount of the contribution to the Clearing Fond for each Clearing Member, current determination see above).

- The contribution to the Clearing Fund is a minimum contribution which only has to be furnished if the applicant has not yet rendered the respective contribution to the Clearing Fund pursuant to chapter I, subsection 1.6.1, paragraph 1, chapter II, chapter III, subsection 1.1.5, paragraph 1, chapter IV, subsection 1.2.1, paragraph 1, chapter V, subsection 1.2.1, paragraph 1 or chapter VI, subsection 1.2.1, paragraph 1).

- Additionally a calculation in relation to the "total margin requirement" (variable contribution to the Clearing Fund) will take place. The total margin requirement includes all products; derivatives, bonds, repos and equities. The contribution level will be defined quarterly at the end of March, June, September and December. The values on the last trading day of the respective month will apply to the level of contribution. Please see Eurex circular 097/02 for details of calculation.

5) Pledged Securities Account: Evidence of the

- pledged securities account with the Clearstream Banking AG
  or
- pledged securities account with SegaIntersettle AG

pursuant to chapter I, subsection 1.1.2 paragraph 3 (a) of the Clearing Conditions for Eurex Clearing AG in connection with the respective subsections in chapter II, III,IV, V and VI of the Clearing Conditions for Eurex Clearing AG.

6) Cash Settlement:

Evidence of that the Applicant secures the cash settlement by holding accounts

- at a Branch of the federal Reserve Bank (Deutsche Bundesbank) for the Euro Settlement

pursuant to chapter I, subsection 1.1.2, paragraph 3 (c), respectively chapter II, respectively chapter III, subsection 1.1.2, paragraph 4 (c) respectively chapter IV, subsection 1.1.2, paragraph 4 (c), respectively chapter V, subsection 1.1.2, paragraph 4 (c), respectively chapter VI, subsection 1.1.2, paragraph 4 (c) of the Clearing Conditions for Eurex Clearing AG and that the applicant has given direct debit orders in favour of Eurex Clearing AG for the applicants' accounts (by copy of authorization). Eurex Clearing AG may permit that for the cash settlement with Eurex Clearing AG accounts of correspondent banks may be used.

For a Eurex Derivative Clearing License additionally the following accounts must be held for securing cash settlement at

- the Schweizerische Nationalbank (SNB) for the Swiss Francs Settlement
  and
  at Clearstream Banking AG for the settlement of foreign currencies.

For Eurex Repo:
If CHF is selected as Margin Currency, it is necessary to provide the account number at the Schweizerische Nationalbank (SNB).

7) Securities account:

Evidence of

- at least one securities account at a bank for central depository of securities which is recognized by Eurex Clearing AG or respectively at a Custodian or a Central Securities Depository by which the transactions of the Clearing Member at the respective market shall be settled (chapter I, subsection 1.1.2, paragraph 3 (b) respectively chapter II, respectively chapter III, subsection 1.1.2, paragraph 4 (b) respectively chapter IV, subsection 1.1.2, paragraph 4 (b), respectively chapter V, subsection 1.1.2, paragraph 4 (b), respectively chapter VI, subsection 1.1.2, paragraph 4 (b) of the Clearing Conditions for Eurex Clearing AG).

  Currently the following banks for central depository of securities are recognized by Eurex Clearing AG:
  - for Eurex Derivatives and Equities Clearing: Clearstream Banking AG and SegaIntersettle AG;
  - for Eurex Bonds und Eurex Repo: Clearstream Banking AG, Clearstream Banking Luxembourg S.A. or Euroclear S.A./N.V. and SegaIntersettle AG
  - for ISE Equities: CRESTCo Ltd.

Further information regarding the securities account shall be given by using the separate application for set-up of settlement accounts.

Upon written request by the applicant, Eurex Clearing AG may permit the applicant to use for the delivery of debt securities a securities account of one or more institutions recognized by Eurex Clearing AG in addition to or instead of an own securities account.

a) For Clearing of Transactions at Eurex Deutschland and Eurex Zurich
Evidence by providing a copy of the account opening confirmation by Clearstream Banking AG.

b) For Clearing of Transactions at Eurex Bonds GmbH and Clearing of Transactions through the System of Eurex Repo GmbH:

Evidence by providing a Power of Attorney for the respective central depository of securities in favour of Eurex Clearing AG.

c) For Clearing of Transactions concluded at the Frankfurt Stock Exchange:

Evidence by providing a Power of Attorney of the account holder of the CBF securities account authorizing Eurex Clearing AG vis-à-vis Clearstream Banking AG. Further information regarding the securities account shall be given by using the separate application for set-up of settlement accounts.

d) For Clearing of Transactions concluded at the Irish Stock Exchange (ISE):

For a Clearing License for the Clearing of Transactions at ISE, the confirmation that the clearing member is CM Undertaking at CRESTCo Ltd. is required (copy of confirmation of admission as CM Undertaking at CrestCo Ltd.)

Additionally, it has to be confirmed that the clearing member is either a Crest Settlement Member at CRESTCo Ltd. (confirmation by form “Application for the Granting of a Clearing License) or uses one or more Crest Settlement Member(s) at CRESTCo Ltd. (confirmation by form “Confirmation of status at CRESTCo Ltd.).

8) Technical Equipment (Backoffice):
Description of the technical infrastructure (back-office) safeguarding the orderly settlement of transactions, including the number of persons duly qualified for this purpose (chapter I, subsection 1.1.2, paragraph 3 (d), (f), respectively chapter II, respectively chapter III subsection 1.1.2 paragraph 4 (d), (e), (f), respectively chapter IV, subsection 1.1.2, paragraph 4 (d), (e), respectively chapter V, subsection 1.1.2, paragraph 4 (f), (e), respectively chapter VI, subsection 1.1.2, paragraph 4 (f), (e) of the Clearing Conditions for Eurex Clearing AG). Additionally, for Eurex Derivatives evidence must be provided that at least one member of staff has successfully passed the Clearer Test.

9) Conclusion of a Clearing Member Clearing Agreement with the Eurex Clearing AG.

To
Filiale der Deutschen Bundesbank

_____

_____ _____

Direct Debit Order in Favour of a Clearing Member of Eurex Clearing AG

Name of Clearing Member

Address

is a Clearing Member of Eurex Clearing AG.
To ensure that transactions are settled in a proper manner, the Clearing Member is obliged to ensure that EURO cash settlements shall be cleared through a Bundesbank account.

A respective agreement with the following Bundesbank Account holder has been made that any sums due as a result of the Eurex Clearing process are to be debited against the following Bundesbank account for above mentioned Clearing Member.

Name of Bundesbank Account Holder

Account No. _____

We therefore instruct you to irrevocably honor all EURO debit instructions received from Eurex Clearing AG pertaining to all EURO claims against the Clearing Member arising from the Eurex clearing process against the aforementioned account and to transfer such sums to the account of Eurex Clearing AG.

Place and date

Account Holder Company stamp and signature

To
Filiale der Deutschen Bundesbank

_____

_____ _____

Direct Debit Order for Cash Settlements with
Eurex Clearing AG

Dear Sir/Madam,

We have agreed with Eurex Clearing AG that any obligations incurred through the Eurex Clearing process shall be debited against the following account we hold with you:

Bundesbank Account No._____

We therefore instruct you to irrevocably honor any debit instructions submitted by Eurex Clearing AG against the aforementioned account.

Place and date

Clearing Member

Company stamp and signature

Name of Clearing Member

Address

First name and name of contact

Telephone-no. Fax-No.

Eurex Clearing AG

60485 Frankfurt am Main

Confirmation of status at CRESTCo Ltd.

We

(Name of Clearing Member)

are Clearing Member at Eurex Clearing AG. To ensure the orderly settlement of transactions at the Irish Stock Exchange (ISE), we hereby confirm that we use the following Crest Settlement Participant at CRESTCo Ltd.:

In the case, that several Crest Settlement Participants at CRESTCo Ltd. are used, a confirmation for each Crest Settlement Participant is required.

Place and date

Clearing Member (Company stamp and signature)
(Name in capitals)

Place and date

Crest Settlement Participant (Company stamp and signature)
(Name in capitals)