X-pand into the Future

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Date: Frankfurt, July 29, 2005
Recipients: All Eurex members and vendors, CCP participants
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ISE CCP: Updated Communication Calendar and Answers to Frequently Asked Questions

Related Eurex Circular: 107/05

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Content may be most important for:

- Middle + Back Office
- IT / System Administration

Attachments:

1. Updated Communication Calendar
2. "FAQs Concerning the CCP for the Irish Stock Exchange (ISE)"

With Eurex circular 107/05 we informed you about the schedule for the introduction of the Central Counterparty for the Irish Stock Exchange (ISE CCP).

Please find attached an updated communication calendar for the introduction of ISE CCP.

In connection with the introduction of ISE CCP, frequently asked questions have arisen. Therefore, we are publishing answers to these questions in the document "FAQs Concerning the CCP for the Irish Stock Exchange (ISE)", which is attached to the present circular.

Both documents are also available for downloading on the Eurex website under

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

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ISE CCP Communications Calendar (As of End of July 2005)

Document Name	Owning Entity	Applicable To: GCM, ISE Member Firms or All	Quarter 1/Beginning Quarter 2	Quarter 2		Quarter 3		Quarter 4	
				June	July	Aug	Sept	Oct	Nov
Launch Announcement	ISE/CREST/DBAG/ECAG	All	✓ ◆ 03.02.2005						
Service Description	ISE/CREST/DBAG/ECAG	All	✓ ◆ 13.04.2005						
Risk Scenarios	DBAG/ECAG	GCM (reference for ISE Member Firms)	✓ ◆ 23.05.2005						
Monthly Memo	ISE	ISE Member Firms		✓ ◆ Early June	✓ ◆ Early July	◆ Early Aug	◆ Early Sept	◆ Early Oct	◆ Early Nov
DEX/Whitebook	CREST	All	✓ ◆ 03.06.2005						
Circulation of 'Communications Calendar' (this document)	ISE	All		✓ ◆ 16.06.2005					
Technical Release Notes	DBAG/ECAG	GCM (reference for ISE Member Firms)		✓ ◆ 17.06.2005					
Buy-In Description	DBAG/ECAG	All		21.06.2005 ◆ ✓					
Preliminary Instrument List	DBAG/ECAG	All		✓ 30.06.2005 ◆					
Draft ISE Rules for Consultation	ISE	ISE Member Firms				◆ 08.08.2005			
Legal Forms Distribution	DBAG/ECAG	All The set of legal forms includes a Clearing Licence Application Form which is only relevant to GCMs and a Clearing Service Agreement and Buy-In Participant Form which are relevant to both GCMs and NCMs				◆ 08.08.2005			
Preliminary Version ECAG Rules & Regulations	DBAG/ECAG	GCM (reference for ISE Member Firms)				◆ 08.08.2005			
Member Simulation Guide (Including Simulation Calendar, Test Scripts and next steps)	CREST/DBAG/ECAG	All					◆ 05.09.2005		
Membership Forms (CM Membership of CREST)	CREST	GCM					◆ 09.09.2005		
Membership Forms (CREST Settlement Participants)	CREST	Only if there are new CREST settlement participants					◆ 09.09.2005		
Buy-In: 1)Final Buy-In Description, 2) Buy-In Participation Procedures	DBAG/ECAG	All					◆ 16.09.2005		
Final Version of ECAG Rules & Regulations	DBAG/ECAG	GCM (reference for ISE Member Firms)					30.09.2005 ◆		
CREST Manual & CREST CCP Manual	CREST	All					30.09.2005 ◆		
Final ISE Rules	ISE	ISE Member Firms						28.10.2005 ◆	
Final Instrument List	DBAG/ECAG	All						28.10.2005 ◆	
Go-Live Notice	DBAG/ECAG/ISE/CREST	All							◆ 14.11.2005

FAQs Concerning the CCP for the Irish Stock Exchange (ISE)

Which counterparty will be displayed in CCP-eligible trades?

Counterparty for all CCP eligible trades is “CCPIE”. It can be seen in Xetra trade confirmations. CCP non-eligible trades will continue to have the original counterparty. By means of the two different counterparties, members can easily differentiate eligible from non-eligible trades.

How can ISE Xetra trades be identified in CREST?

In ISE Xetra, each trade is uniquely identified by the *trade date*, *trade id* (“tranIdNo” in trade confirmations) and the *trade id suffix* (“tranIdSfxNo”). These fields can be found in the *Transaction Reference* of the corresponding CREST transaction:

1st character:	“N” for a trade and “C” for a contra-trade
Digits 2 to 7:	trade date (YYMMDD)
Digits 8 to 14:	tranIdNo (7 digits)
Digits 15 and 16:	last two digits of tranIdSfxNo

Additionally, the ISE Xetra order number (ordrNo) assigned by the system and the member-internal order number (userOrdNum), which can be filled at order entry, can be found in the *CREST participant note*:

Digits 1 to 13:	ordrNo
Digits 14 to 29:	userOrdNum

How will ISE CCP reporting work in the Risk-based Margining of Eurex Clearing AG?

Generally, Risk-based Margining of Eurex Clearing AG and its reporting remains as it is today for other equity cash markets. The ISE CCP-related data is shown on the same reports as in other equity cash markets (on risk reports CC011, CC033, CC034, CC040, CC045, CC050, CC055, CC060, CC070, CC080, in the risk file FPMGBP for margin parameters, and in the theoretical values files FPTHEE and FCTHES). Clearing Members for different markets may view all information combined in one report. For details please refer to the documents “Eurex Report Reference Manual” and “Risk Based Margining” on the Eurex website.

Are there any differences between ISE CCP Risk-based Margining of Eurex Clearing AG compared to other markets?

There are only two differences:

1. The input for Risk-based Margining of Eurex Clearing AG are the aggregated open positions retrieved from CREST (as opposed to trades for other equity cash markets). This means that net and gross trades are aggregated in the open positions and are considered in the Risk-based Margining the same way (as net).
2. Dividends are shown on the reports as cash only positions with the technical ISIN IE00000CASH3.