eurex*bonds* circular 55/04

Recipients: Eurex Bonds Participants
Date: October 21, 2004
Authorized by: Johannes Weßling

Content may be most appropriate for System Administrators, Security Administrators, Trading Contacts and Back-Office Staff

Announcement of new products and important requirements for settlement

Dear All,

In November, Eurex Bonds plans to launch two new trading segments: European Covered Bonds (e.g. *Cédulas Hipotecarias*) and Corporate Bonds & Financials. Details will follow soon.
Please note that only those members who have an ICSD account in place at Clearstream Banking Luxembourg (CBL) or Euroclear Banking (EB) will be activated for trading in the new products.
Please consider the following important information and the recommended steps:

a) If you only have a CBF account assigned for trading, you need to name an ICSD account either at Clearstream Banking Luxembourg (CBL) or at Euroclear Banking (EB), or a 6-series account at CBF. Please use one of the attached Power of Attorney forms to make one of the accounts eligible for Eurex Bonds trades.
   If you have a CBL or EB account already in place you do not need to set up anything else unless you prefer to use additional accounts for several new products.
   Please use either [06xxx_PoA_Eurex Bonds_Eurex Repo_17_6_04.pdf] for 6-series account CB
   or [Eurex-Eurex 0604 - CBL_PoA_Eurex Bonds_Eurex Repo_11_6_04.pdf] for CBL,
   or [RG 2136-Eurex.pdf] for EB account choice.
b) For detailed information about correct settlement location and account set up for Eurex Bonds please see attached quick reference guide.
c) Up to now, every new instrument listed on Eurex Bonds will be designated to either CBF/CBL/EB or CBL/EB.

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d) Please note that all members who use a CBF account need to complete the attached form [Vollmacht-Kontoänderung-wg_ICSD_] to provide a default ICSD account.
Members who use ICSD accounts only do not have to complete this form.
Eurex Clearing requires this authorization by these members in order to update a settlement account which is not adequate for that specific trade at the end of the trading day. This will be performed after 19:00 CET at trade date if necessary.
Members who use more than one ICSD account may inform Eurex Bonds of the appropriate settlement account for each new trading segment. This will then be considered.

Attached you will find the market making parameters for the new segment European Covered Bonds [Market Making Paramters_ECOV.pdf]. Your commitment will be highly appreciated and is a prerequisite for the Market Maker fee category. Please use the attached form 'Application for Appointment to act as a Market Maker' [Antrag-Market-Maker-10-04_e.pdf].
Market Making for European Covered Bonds is voluntary, flexible Market Making procedure will be applied.

In preparation for the planned introduction, please be aware that Eurex Bonds needs to have the necessary settlement account announcements at the latest by November 5, 2004. Otherwise, the member cannot be admitted for the new Eurex Bonds products in time.

If you have any further questions, please do not hesitate to call the Eurex Bonds Info line at +49 (0) 69 – 211 – 11222.

Kind regards,
Eurex Bonds

Attachment:

1. **Power of Attorney for CBL account**
   [Eurex-Eurex 0604 - CBL_PoA_Eurex Bonds_Eurex Repo_11_6_04.pdf]
2. **Power of Attorney for CBF '6-series' account**
   [06xxx_PoA_Eurex Bonds_Eurex Repo_17_6_04.pdf]
3. **Power of Attorney for EB account** [RG 2136-Eurex.pdf]
4. **Settlement_location_account_quick_reference_guide**
5. **Power of Attorney for Change of Settlement Account**
   [Vollmacht-Kontoänderung-wg_ICSD_]
6. **Application for Appointment to act as a Market Maker**
   [Antrag-Market-Maker-10-04_e.pdf]

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7. **European Covered Bonds Market Making Parameter**[Market Making Parameter_ECOV.pdf]

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