eurex*bonds* circular 20/04

Recipients: Eurex Bonds Participants
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Authorized by: Johannes Weßling

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

Flexible Market Making Performance Measurement for Non-Deliverable Basis Instruments

Dear All,
The Eurex Bonds board decided to implement the so-called **flexible** Market Making for **Non-Deliverable Basis Instruments**. This was confirmed by the last Advisory Board meeting (see minutes from February 26, 2004).
This change is determined by the rule that a minimum of four (4) deliverables to be quoted will still be assigned by Eurex Bonds, while a minimum of another four (4) non-deliverable instruments which are to be quoted will be chosen by each member.
Regarding deliverables the daily Performance Measurement Report covers the assigned instruments, as it is today.
Regarding non-deliverables **every quoting activity** on any instrument performed by the Market Maker during the present month will be reported and an average of the best four performed instruments will be taken into account for obligation fulfillment calculation.
The transaction fee calculation for Market makers will be executed by taking the performance results from deliverables and non-deliverables each weighted by 50%.

Kind regards,

Eurex Bonds

Enclosure:
Eurex Bonds Market Making Obligation overview

Eurex Bonds GmbH
Neue Börsenstr. 1
D-60487 Frankfurt/Main
www.eurex-bonds.com

Mailing Address:
D-60485 Frankfurt/Main
T +49 (0)69-211-112 22
F +49 (0)69-211-170 03
eurex.bonds@deutsche-boerse.com

Managing Director:
Rudolf Ferscha
Christian Klapproth
Michael Roczinski

Gesellschaft mit beschränkter Haftung
mit Sitz in Frankfurt/Main
HRB Nr. 49370
Amtsgericht Frankfurt/Main
USt Id 04523253333