e u r e x *c i r c u l a r 9 1 / 9 8*

To: All Eurex members and vendors

Date: Frankfurt, 23rd December 1998

Year 2000 Simulation Guide

Dear Sir or Madam,

Attached to this circular you will find the “Special 2000 / No. 2”. With this “Special” we provide you with a first overview over the upcoming simulation. The guide includes an application form especially for the *Eurex* Year 2000 simulation. Please fax your answer only to the following number:

+49-(0)69-2101-1701.

For Eurex simulation planning please co-ordinate your actions with your central Year 2000 co-ordinator. In order to integrate your requests in our planning we need your feedback by **February 1, 1999** the latest.

If you have any questions, please contact the Eurex Member Readiness Team under +49-(0)69-2101-1700.

Yours sincerely,

Jörg Franke

Hartmut Klein

Eurex Deutschland
Börsenplatz 7-11
D-60313 Frankfurt/Main
www.eurexchange.com

Mailing Adress:
D-60284 Frankfurt/Main
T +49 (0)69-2101-direkt
F +49 (0)69-2101-direkt

Board of Management:
Dr. Jörg Franke,
Otto E. Nägeli, Andreas Preuss,
Jürg Spillmann

Special 2000 No. 2



Deutsche Börse

Year 2000 Coordination Center www.Y2K.Exchange.de

December 1998

Year 2000 Coordination Center

Phone:
+49-(0)69-2101-3300
Fax:
+49-(0)69-2101-3301
Email:
Year2000@Exchange.de

Dear Business Partner,

Dear Year 2000 Coordinator,

we have the pleasure to present to you the second edition of the "Special 2000".

This edition provides you with an overview of the year 2000 simulation phase. Attached to this edition is the Simulation Guide which provides detailed information for planning purposes.

We ask you to please distribute this information to all relevant parties within your establishment.

The Deutsche Börse Group would like to take this opportunity to wish you and your establishment a prosperous and successful new year.

Your

Year 2000 Coordination Center

Contents of this issue:

➔ Internet Launch of the "Year 2000" project

➔ The Simulation Guide

➔ Project Status

Enclosures:

➔ Simulation Guide

➔ Registration form for Overall Simulation I

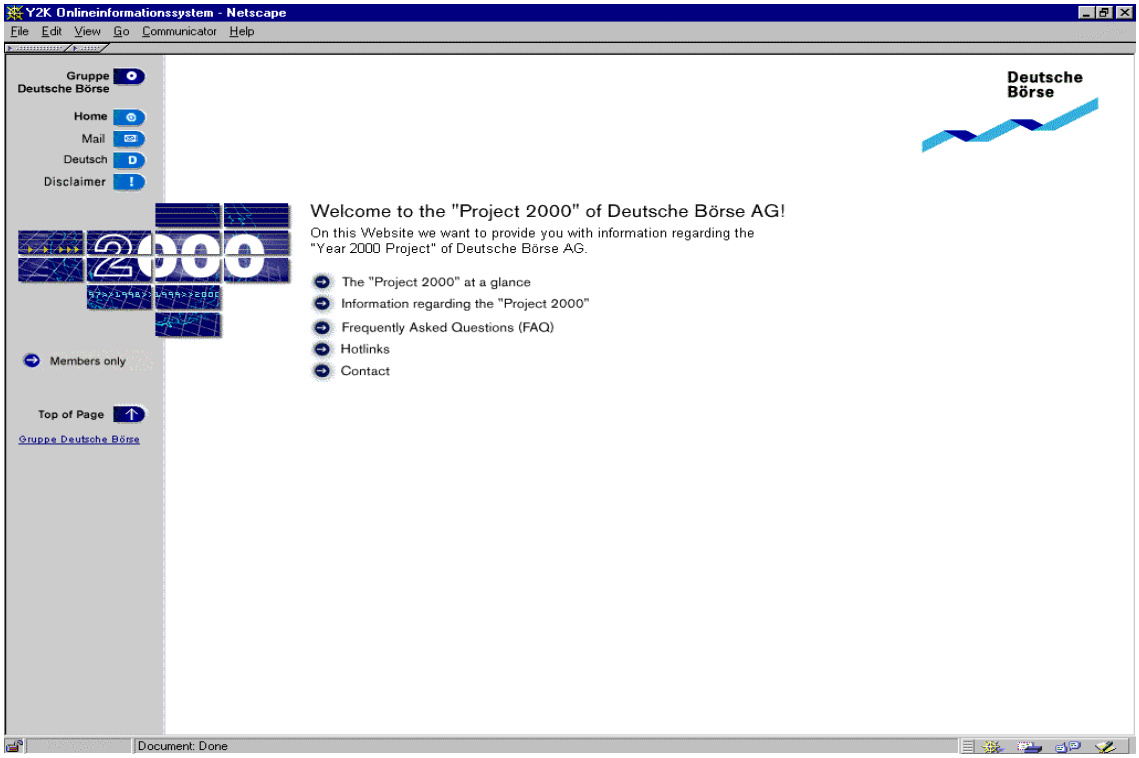
Internet Launch of the “Project 2000”

The Deutsche Börse has launched a Year 2000 designated web site on December 15, 1998. All relevant information can be obtained from www.Y2K.Exchange.de.

In this context, we distinguish between information intended for the general public and information accessible exclusively by business partners of Deutsche Börse Group, i.e. “Members Only”.

In our last Special 2000 (No. 1) issue, we informed you about your user name and password necessary for being able to access this “Members Only” area.

On the web site of the “Project 2000” you will find also our Frequently Asked Questions (FAQ). Additionally the most important documents (e.g. Specials, reply forms etc) are available and can be downloaded as PDF files from the corresponding “Download” area. The current Simulation Guide, as enclosed with this Special, can be downloaded as well.



Special 2000
No. 2

Deutsche Börse

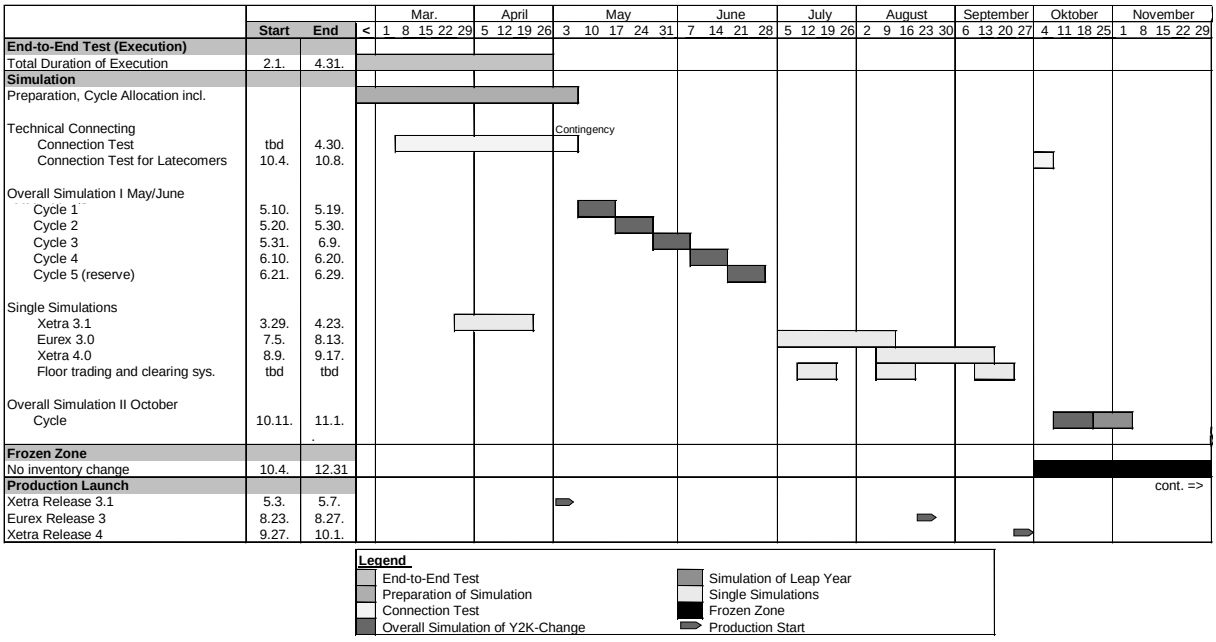
Year 2000 Coordination Center

The Simulation Guide

The planning for the simulation phase which the Deutsche Börse Group will carry out with its business partners next year has been largely completed. In particular, we would like to point to Overall Simulation I in May and June 1999. Within the framework of this simulation, we want to ensure - together with our business partners – Year 2000 capability for our financial community.

Enclosed you shall find the Simulation Guide, which entails all detailed information to the simulation. It can also be downloaded from the corresponding “Download” area in the Internet.

We would like to draw your attention to the simulation schedule:



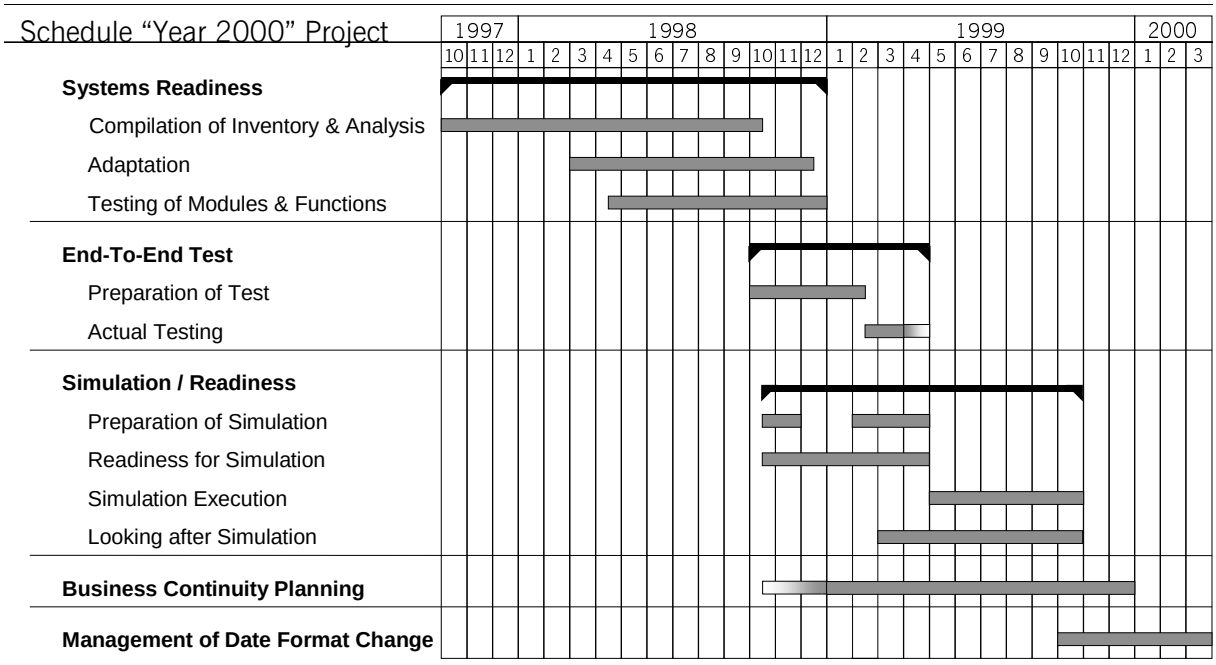
With this No. 2 issue we have also enclosed a registration form needed for the participators in the Overall Simulation I scheduled for May/June 1999.

In so far as it is applicable to you, please be so kind as to carefully fill in this form and return it by fax to our Year 2000 Coordination Center (fax: +49–(0)69–2101–3301).

In this context, please take notice of the corresponding deadline! (see “Important Date”)

Project Schedule

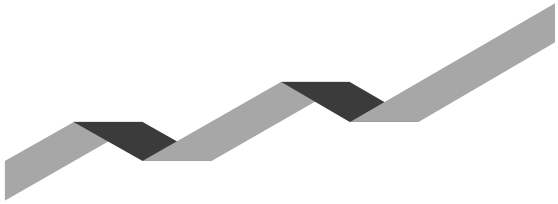
The project schedule below shows the current planning state. At present, all activities run according to plan.



Important Date

Feb. 1, 1999 Registration deadline for Overall Simulation I in May/June 1999 (see enclosure)

Deutsche Börse



Year 2000

Simulation Guide

Contents

1	Introduction	3
1.1	Purpose of this Document	3
1.2	Year 2000 Simulation Objective	4
1.3	Target Group	4
1.4	Simulation Model	4
1.5	Basic Conditions of the Simulation	5
2	Simulation Time Frame	6
2.1	Overview	6
2.2	Communication Plan	7
2.3	Connection Test	7
2.4	Overall Simulation	8
3	Participation in the Simulation	9
3.1	Participants of Deutsche Börse / Eurex	9
4	Framework of the Overall Simulation – Technical Setup	10
4.1	Xetra	10
4.2	Eurex	10
4.3	Floor and Clearing	10
5	Support by Deutsche Börse Group / Eurex	11
5.1	Simulation Scripts	11
5.2	Contact Persons of Deutsche Börse Group / Eurex	11
6	Enclosure	12
6.1	Registration Form	12

1 Introduction

Deutsche Börse Group and Eurex intend to ensure for themselves and their customers a smooth transition to the Year 2000 for their major business processes. Therefore, Deutsche Börse Group and Eurex established a project consisting of different phases to achieve this goal.

In order to prove the Year 2000 conformity, Deutsche Börse Group and Eurex focuses on the requirements of the British Standards Institution (DISC PD 2000-1): „A Definition of Year 2000 Conformity Requirements“.

1.1 Purpose of this Document

This document is proposed as a guideline for all participants in the Year 2000 simulations of Deutsche Börse Group and Eurex. Further details as well as information within the context of release introductions will be announced via known support groups of Deutsche Börse Group and the Eurex Member Readiness Team.

This document includes basic information regarding the planning of member simulation activities:

- Basic conditions of the Simulation
- Simulation time frame
- Simulation Participation
- Framework of the Overall Simulation – Technical Setup
- Support by Deutsche Börse Group and Eurex.

1.2 Year 2000 Simulation Objective

The objective of the Year 2000 simulation of Deutsche Börse Group is to ensure the readiness of its members in trading and clearing systems for the transition into the Year 2000.

The proposed simulation approach is aligned with the national and international requirement for the completion of compliance activities until June 1999.

1.3 Target Group

The following groups are target participants in the simulation:

- All members of the trading, clearing and settlement systems
- Third parties.

Due to the importance of the Year 2000 conformity, Deutsche Börse expects all members to participate in the Overall Simulation I.

1.4 Simulation Model

A connection test taking place from March to April 1999 is regarded as a pre-requisite for the simulation.

The simulation will be carried out in three phases from May to October 1999:

- Overall simulation I will take place from May to June 1999 and covers all systems. The Overall Simulation I offers multiple repetitions of the turn-of-year.
- Specific simulations will take place from July to September 1999 within the framework of the planned Xetra and Eurex release introductions as well as for floor trading and clearing systems.
- Overall Simulation II is optional and will take place starting October 1999, offering an additional possibility to simulate the leap day.

1.5 Basic Conditions of the Simulation

- The simulation covers the member relevant core processes of Deutsche Börse Group, which define basics of exchange trading and settlement.
- Participating in the overall simulation I requires a succesful connection test, especially in the IBM / SNA environment. A connection test is normally not required for Xetra and Eurex.
- Participants scripts are compiled on basis of the core processes and will guide the participants through the simulation cases step by step.
- As business data, the turn-of-year simulation includes the last two trading dates in 1999 (29.12., 30.12.1999) as well as the first three trading days in 2000 (03.01., 04.01. and 05.01.2000).
- In the Overall Simulations, only selected instruments and products, in the case of Eurex, will be traded and settled.
- In the framework of the planned specific and release simulations in the third quarter 1999, both turn-of-year and leap day will be simulated.
- Additionally and as an option, Deutsche Börse Group and Eurex offer their customers to simulate the leap day and the turn-of-year in the Overall Simulation II from October on. The leap day simulation includes as trading dates 25.02, 28.02., 29.02., 01.03. and 02.03.2000.
- Deutsche Börse Group plans the introduction of a „Frozen Zone“ from October on for inventory modifications (Hardware, Software and Infrastructure) and recommends the same approach to its members.

2 Simulation Time Frame

The following chapter illustrates the timeline of the simulation.
After an overview on the entire project plan, the planned communication activities as well as the period of time of the connection phase are depicted. Finally, a sample simulation calendar will be presented.

2.1 Overview

The member-relevant activities of the project will last from March until end of October 1999. They will start with the connection tests to be agreed upon with the members in February. After verifying technical readiness, the Overall Simulation I will be carried out in four cycles. A fifth cycle will be available as a reserve cycle for those members, who have not been able to successfully carry out their first cycle.

Specific simulations in the third quarter 1999 as well as the possibility to participate in the Overall Simulation II complete the overall offer of Deutsche Börse Group.

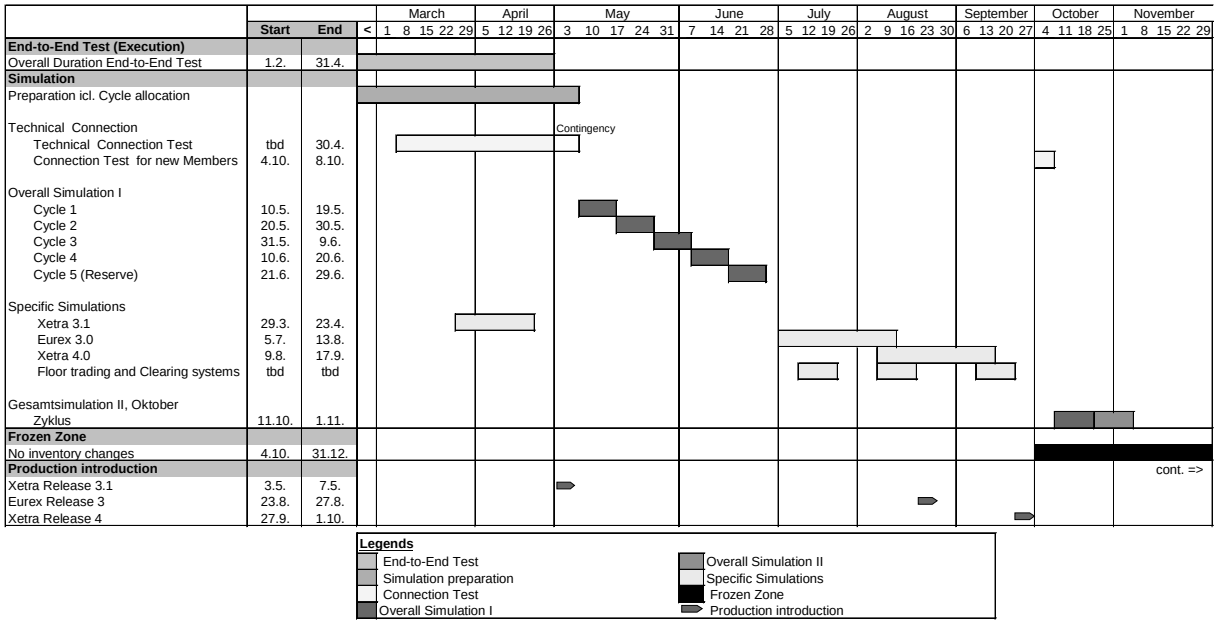


Figure 2.1: Simulation Plan (Draft)

2.2 Communication Plan

The most important communication activities within the framework of the Year 2000 Project are illustrated in the following communication plan.

Additionally, the „Special 2000“ informs about news of the project. All information about the Year 2000 Project is published at the same time in the Internet (www.Y2K.exchange.de).

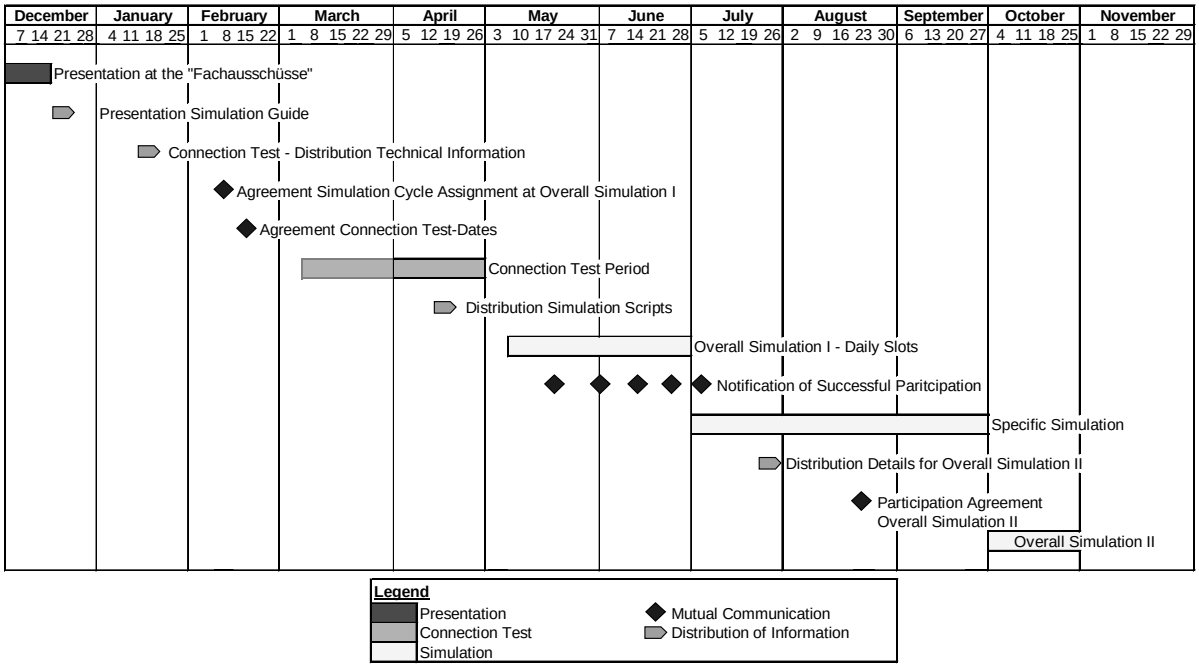


Figure 2.2: Communication plan

2.3 Connection Test

As shown in Figure 2.2, the connection test will take place in March and April 1999. The following steps will be carried out.

- End of January 1999, the members will receive the information regarding the connection tests.
- In February, Deutsche Börse Group will contact the members in order to arrange a date for a joint test.

2.4 Overall Simulation

The Overall Simulation I in May and June 1999 includes all member relevant core processes of Deutsche Börse Group and Eurex. It allows a sequential verification of the Year 2000 conformity of all systems relevant for the turn of year on the members' side. Deutsche Börse Group and Eurex expect all members to participate in the Overall Simulation I to ensure the Year 2000 compliance of all business systems of the financial community.

In order to offer adequate customer support and several starting points to our members, the Overall Simulation I will be executed in five cycles. Each cycle consists of five online days and two analysis days. Please choose one of the four cycles as a preferred option and an alternative (see enclosed registration form). The fifth cycle is reserved for members who have not, for technical reasons, completed their first cycle successfully.

Public holidays in this period of time have been taken into account (see Figure 2.3). To facilitate the turn of the year, it is presumed that 31st of December 1999 is regarded as a bank holiday.

Cycle 1: Day allocation										
	Monday **10.5.**	Tuesday **11.5.**	Wednesday **12.5.**	Thursday **13.5.**	Friday **14.5.**	Saturday **15.5.**	Sunday 16.5.	Monday **17.5.**	Tuesday **18.5.**	Wednesday **19.5.**
Business Date	29.12.1999	30.12.1999	no **Simulation**	no **Simulation**	03.01.2000			04.01.2000	05.01.2000	no **Simulation**
Specialties	Aufbau Bewegungs-daten	Month end Year end		Ascension of Christ						

Figure 2.4: An example of a cycle day

In specific simulations in the third quarter 1999, both turn-of-year and leap day will be simulated.

The members have the possibility during the Overall Simulation II starting October 1999, to prove in an open simulation environment the Year 2000 conformity of their systems as well as the turn-of-year and the leap day. Participation in this phase of the simulation is optional.

3 Participation in the Simulation

Only a successful participation of all trading partners guarantees the Year 2000 conformity of all trading systems.

3.1 Participants of Deutsche Börse / Eurex

Deutsche Börse Group and Eurex expect all members to make use of the Overall Simulation I in order to ensure the Year 2000 compliance.

For this purpose, registration forms are enclosed. All members are requested to register for one preferred cycle and an alternative cycle of the four mentioned simulation cycles until

Monday, 1 February 1999.

Deutsche Börse Group and Eurex will contact all members to confirm the assignment to one cycle.

4 Framework of the Overall Simulation – Technical Setup

All simulations require a smooth operation of all participating systems at Deutsche Börse Group and Eurex as well as at the market members.

The technical and functional requirements for a successful simulation execution are described below.

4.1 Xetra

A connection test is normally for Xetra members, who have access to the permanent simulation environment, not required. The one exception is the introduction of a special MISS for simulation Year 2000 purposes. We would like to draw your attention to the fact that Deutsche Börse Group is updating the sizing guidelines for Year 2000 compliance purposes. Those will be placed at the disposal of our participants at the earliest possible appointment.

The usual user identifications, used for the permanent simulation, are valid.

4.2 Eurex

A connection test is normally for Eurex members, who have access to the permanent simulation environment, not required. The one exception is the introduction of a special User Device for Year 2000 simulation purposes. We would like to draw your attention to the fact that Eurex is updating the documents User Device / Satellite Technical Overview and Network Requirements for the Eurex Trading System for Year 2000 compliance purposes. Those will be placed at the disposal of our participants at the earliest possible appointment.

There are no trade positions needed for simulation. The usual user identifications, used for the permanent simulation, are valid.

4.3 Floor and Clearing

Especially in the IBM / SNA area, the successful connection test is a prerequisite for the participation in the Overall Simulation I. The connection test includes all file transfer products. We would like to draw your attention to the fact that Deutsche Börse Group is defining the infrastructural requests to the communication with the main frame for Year 2000 compliance purposes. Those will be placed at the disposal of our participants at the earliest possible appointment.

The IMS24 is set up exclusively for the simulations of Floor and Clearing . User identifications, which were set up during the Euro simulations are valid. A new environment will be created for the TPF.

5 Support by Deutsche Börse Group / Eurex

Deutsche Börse Group and Eurex offer their members a wide range of support services during the participation in the Year 2000 Overall Simulation. Besides the scripts, which lead through the simulation processes, supplementary documentation e.g. systems manuals and a dedicated Year 2000 coordination center will be available.

Regarding the release simulations, members will be informed separately by the usual Member Readiness Teams.

5.1 Simulation Scripts

Scripts support the entire Overall Simulation I. They stipulate the minimum activities necessary to cover all core processes of Deutsche Börse and Eurex. The scripts enable the members to concentrate on important transactions with Deutsche Börse.

5.2 Contact Persons of Deutsche Börse Group / Eurex

The simulation team offers direct support to its participants through:

Deutsche Börse Year 2000 Coordination Center

- Phone: +49 / 69 / 2101 - 3300
- Fax: +49 / 69 / 2101 – 3301
- Email: YEAR2000@Exchange.de

As usual all help desk and Member Readiness teams are available to answer questions and offer support.

6 Enclosure

6.1 Registration Form

Registration form Overall Simulation I May/June 1999

Please send the attached form to the mentioned address or send it by fax to the indicated number until **February 1, 1999**.

X-pand into the **Future**

Please complete this form and return it by
February 1st 1999 to:

Eurex Member Readiness

Fax +49-(0)69-2101-1701

Application

for the Eurex-Simulation as part of the Year 2000-Overall Simulation I in May/June 1999

Simulation cycles

In which of the four offered Year 2000 simulation cycles do you want to participate ?

Please enter: 1 = Favorite date 2 = Alternative date

☐ 10.05.–19.05.1999 ☐ 20.05.–30.05.1999

☐ 31.05.–09.06.1999 ☐ 10.06.–20.06.1999

Overall Simulation II October 1999

Do you want to take part in the Overall Simulation II in October 1999?

☐ Yes ☐ No

In case of questions and for coordination purposes:

Company: _____

Member Identification code: _____

Name: _____

Phone: _____ Date: _____

Your requests and remarks concerning the simulation planning

☐ See sheet enclosed!