X-pand into the Future

e u r e x *circular 222/06*

Date: Frankfurt, November 3, 2006
Recipients: All Eurex Members and Vendors, all CCP Members of Eurex Clearing AG
Authorized by: Daniel Gisler

High Priority

Clearing Conditions of Eurex Clearing AG: Changes

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Content may be most important for:	**Attachment:**
➲ Front Office / Trading ➲ Middle + Back Office ➲ Auditing / Security Coordination	Updated sections of the Clearing Conditions for Eurex Clearing AG

Please find attached to this circular updated sections of the Clearing Conditions for Eurex Clearing AG as decided by the Executive Board of Eurex Clearing AG in its session on November 1, 2006.

The changes were made in connection with the introduction of stock options with Spanish and Swedish underlyings at Eurex Deutschland and Eurex Zürich. They will become effective on **November 20, 2006.**

The Clearing Conditions can be downloaded from the Eurex website under the following path:

www.eurexchange.com > Documents > Rules and Regulations > Clearing Conditions

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Part 2
Clearing License

2.1 Granting of Clearing Licenses

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2.2 Prerequisites for Clearing Licenses

(1) Prerequisite for a Clearing License for Clearing Members 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.

a) When calculating the liable equity capital for granting a clearing license for clearing futures transactions in accordance with Chapter II, that equity capital shall be considered which the applicant has already provided evidence for when applying for a clearing license for clearing transactions in accordance with Chapter IV.

Such equity capital which the applicant has already provided evidence for when applying for a clearing license for clearing transactions in accordance with Chapter III, in accordance with Chapter V and/or in accordance with Chapter VI shall not be considered.

b) When calculating the liable equity capital for granting a clearing license for the clearing of transactions pursuant to Chapter III, that equity capital shall be considered which the applicant has already provided evidence for when applying for a clearing license for clearing transactions in accordance with Chapter IV.

Such equity capital which the applicant has already provided evidence for when applying for a clearing license for clearing transactions in accordance with Chapter II, in accordance with Chapter V and/or in accordance with Chapter VI shall not be considered.

c) When calculating the liable equity capital for granting a clearing license for the clearing of transactions pursuant to Chapter IV, that equity capital shall be considered which the applicant has already provided evidence for when applying for a clearing license for clearing transactions in accordance with Chapter III.

Such equity capital which the applicant has already provided evidence for when applying for a clearing license for clearing transactions in accordance with Chapter V and/or with Chapter VI shall not be considered.

d) When calculating the liable equity capital for granting a clearing license for the clearing of transactions pursuant to Chapter V, that equity capital shall be considered which the applicant has already provided evidence for when applying for a clearing license for clearing transactions in accordance with Chapter VI.

Such equity capital which the applicant has already provided evidence for when applying for a clearing license for clearing transactions in accordance with Chapter II, in accordance with Chapter III and/or with Chapter IV shall not be considered.

e) When calculating the liable equity capital for granting a clearing license for the clearing of transactions pursuant to Chapter VI, that equity capital shall be considered which the applicant has already provided evidence for when applying for a clearing license for clearing transactions in accordance with Chapter V.

Such equity capital which the applicant has already provided evidence for when applying for a clearing license for clearing transactions in accordance with Chapter II, with Chapter III and/or Chapter IV 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 year during 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. In case the business year of a Clearing Member deviates from the calendar year, yearly evidence of the amount of the liable equity capital or the liable own funds at the end of the respective business year has to be provided for with both the application and once every year at the latest six months after the end of the respective business year. 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 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.

Cash margin shall be provided according to Number 3.3. Securities collateral and margin in the form of book-entry securities (Wertrechte) in accordance with Number 3.4 shall be provided via transfer of ownership by way of security or assignment for security purposes onto a safe custody with Clearstream Banking AG or SegaIntersettle AG to be determined by Eurex Clearing AG.

The bank guarantees as well as the cash and securities collateral shall safeguard compliance with the contractual obligations of the respective Clearing Member and with all other claims of Eurex Clearing AG vis-à-vis the respective Clearing Member in connection with the Clearing of its contracts (provision of margin).

(4) The applicant shall meet the following additional requirements:

a) Evidence shall be provided for a pledged securities account with Clearstream Banking AG or with SegaIntersettle AG.

b) Evidence shall be provided for at least one securities account and a corresponding cash account at a bank for central depository of securities which is recognised by Eurex Clearing AG or respectively at a Custodian or a Central Securities Depository by which the settlement of securities held in collective safe custody is possible, as well as evidence for another securities account and a corresponding cash account at a bank for central depository of securities which is recognised by Eurex Clearing AG or respectively at a Custodian or a Central Securities Depository by which the settlement of securities held in cash account (Treuhandgiroverkehr) is possible. On request of a Clearing Member the Eurex Clearing AG may abstain from written evidence about a further securities account and a corresponding cash account. In case the settlement of securities held in collective safe custody or cash account (Treuhandgiroverkehr) can be made through only one securities account and a corresponding cash account, such evidence will also be accepted.recognise

c) Evidence shall be provided for an account at a branch of the Central Bank of Germany (Deutsche Bundesbank) or an account at the Schweizerische Nationalbank ("SNB"), including a Swiss Interbank Clearing AG account (the “SIC account”) for the provision of daily securities in cash. Eurex Clearing AG may, upon written application, allow the use of accounts of a correspondent bank recognised by Eurex Clearing AG.

d) Technical connection to the systems of Eurex Clearing AG under inclusion of the respective current version of the General Terms of Use for the network of Eurex Clearing AG.

e) 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 with respect to the customers pursuant to the minimum requirements of Eurex Clearing AG (clearing obligations).

f) The use of at least one sufficiently qualified member of staff in the back-office for the orderly fulfilment of the clearing obligations is required; such member shall be available via telephone and fax for the business days until 7 p.m. CET valid for the respective market. From 7 p.m. CET on and up to the end of the business day valid for the respective market, the applicant shall guarantee that a sufficiently qualified staff member is available via telephone.

g) Payment of the contribution to the Clearing Fund according to Number 6.1.

h) Granting of an authorisation to Eurex Clearing AG for purposes of delivery instructions by Eurex Clearing AG vis-à-vis a Securities Depository Bank or Custodian or Central Securities Depository.

i) Evidence of a waiver of obligation to pay the US Amercian withholding tax in case of clearing of transactions in securities which the US American revenue authority (Internal Revenue Service) defines as underlying the US American withholding tax. In case of clearing of securities underlying the US-American withholding tax pursuant to Clause 1, Eurex Clearing AG complies with the legal obligation to register under consideration of its fiscal status as well as the fiscal status of the respective applicant vis-à-vis the US-American revenue authority (Internal Revenue Service). In case evidence pursuant to Clause 1 is not provided by the applicant, Eurex Clearing AG shall, in case of clearing of transactions pursuant to Clause 1, comply with its obligation to register vis-à-vis the US-American revenue authoritiy (Internal Revenue Service) and retain the accrued revenues where applicable and pay them to the US-American revenue authority (Internal Revenue Service). In case the applicant uses one or more settlement institutions pursuant to Paragraph 6 and 7, evidence pursuant Clause 1 with regard to accounts and securities depositorys made available in connection with the settlement institutions used or authorised in connection with transactions concluded on the markets.

(5) Evidence of compliance with the prerequisites set forth in NumberParagraphs 1 to 4 must be provided upon submission of the application. Clearing Members are obligated, upon request by Eurex Clearing AG, to provide Eurex Clearing AG with evidence of compliance with the prerequisites for a Clearing License as set forth in Number 2.2 Paragraph 1 by no later than six months after the end of each fiscal year of the Clearing Member.

(6) Eurex Clearing AG may, upon written application and upon submission of relevant evidence, permit the applicant or a Clearing Member that the prerequisites for the granting of a clearing license pursuant to Paragraph 4 Item b as wel as – optionally – the prerequisites pursuant to Paragraph 4 Item f will be fulfilled and proved completely by one or more settlement institutions on behalf of and for the applicant respectively the Clearing Member.

The permission of Eurex Clearing AG to fulfil the prerequisites listed in Paragraph 4 Item b and, optionally, in Paragraph 4 Item f of the applicant or Clearing Member by a company in its function as settlement institution pursuant to Clause 1 requires the conclusion of a standard contract between the applicant or the affected Clearing Member, the settlement institution and Eurex Clearing AG, such contract being provided by Eurex Clearing AG. Eurex Clearing AG may at any time and at the settlement institution's or Clearing Member's expenses, require written evidence with regard to the fulfilment of aforementioned prerequisites for the granting of a clearing license from such settlement institutions or Clearing Member or commission a recognised expert in order to verify these prerequisites on the premises of the settlement institution or Clearing Member.

(7) In case a Clearing Member or a settlement institution uses other third parties not listed in Paragraph 4 and 6, it has to ensure the compliance with the Clearing Conditions also by such third parties. If the third party is supposed to perform tasks listed under Paragraph 4 independently, evidence of the third party's obligation pursuant to Clause 1 is required by conclusion of a respective agreement between such third party, the Clearing Member, Eurex Clearing AG and the settlement institution, provided the Clearing Member makes use of the latter.

2.3 Notification Obligations; Right to Investigate Compliance

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