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# e u r e x *circular 214/06*

**Date:** Frankfurt, October 26, 2006
**Recipients:** All Eurex Clearing Members and vendors
**Authorized by:** Peter Reitz

## Eurex Release 9.0: Update of Clearing Conditions

**Related Eurex Circular:** 210/06

**Contact:** Customer Support, tel. +49-69-211-1 17 00

| **Content may be most important for:** | **Attachment:** |
|---|---|
| ➲ All departments | Updated Sections of Clearing Conditions for Eurex Clearing AG |

Production start of Eurex Release 9.0 is scheduled for **November 13, 2006**.

As announced in Eurex circular 210/06, the facilities which are introduced with the new release require changes to Eurex Rules and Regulations.

Please find attached the updated sections of the Clearing Conditions for Eurex Clearing AG.

Should you have any questions or require further information, please contact our Customer Support Team at tel. +49-69-211-1 17 00 or fax +49-69-211-1 17 01.

# Chapter II
# Transactions at Eurex Deutschland and Eurex Zürich (Eurex Exchanges)

## Part 1
## General Provisions

[.....]

### 1.1 Clearing License

[.....]

### 1.2 Determination of Margin to be maintained

(1) With regard to the obligation to provide margin, Chapter I Paragraph 3 applies in addition to the following provisions.

(2) The calculation of the margin to be maintained by a General or Direct Clearing Member shall be made separately for such General or Direct Clearing Member's Principal Position Accounts (including Market-Maker Position Accounts) and Agent Position Accounts.

(3) The basis for the determination of margin to be maintained are the net positions in all option series and Futures contracts. The net position in each option series and in each futures contract shall be determined by setting off a long position (including transactions not yet fully performed) against a short position (including transactions not yet fully performed, but excluding transactions with matching cover). Option series and Futures contracts may be combined into a single margin class, including, for example, when the underlying security or other value is the same. Eurex Clearing AG may form margin groups out of several margin classes, including classes with differing underlyings, if their respective prices develop favourably in the same direction. If Eurex Clearing AG forms margin classes or margin groups, the following rules shall apply mutatis mutandis, in that the relevant margin requirement shall be determined for the margin class or margin group, including by netting.

(4) With respect to options transactions with immediate premium payment obligations based on German, Swiss, Finnish, French, Italian, Dutch and US-American stocks, the margin to be maintained must cover the costs that would be incurred upon the closing of all positions at the day's closing price ("Premium Margin").

(5) With respect to options transactions without immediate premium payment obligations, no Premium Margin, as defined in Paragraph 4 Clause 1 or Paragraph 5 Clause 1, shall be due; instead, a daily profit and loss settlement shall take place.

(6) With respect to Futures contracts, margin must, for positions that may be netted, be maintained to cover the risk that prices of contracts with different delivery months will not move in exactly the same direction ("Spread Margin"). The netting involves offsetting, to the extent possible, a net long position in one contract against a net short position in another contract with a different delivery month.

(7) In addition to the margin required under Paragraphs 3 to 6, a further margin requirement ("Additional Margin") shall be calculated in an amount sufficient to cover any change to the

cost of closing all options positions and all futures positions that cannot be netted in accordance with Paragraph 6 assuming the least favourable price developments, as determined by Eurex Clearing AG, until the next calculation of the margin requirements.

(8) The sum of the margin required to be maintained pursuant to Paragraphs 3 through (7) shall be the total margin required to be maintained by a Trading Participant for one account. The total margin requirement applicable to a Trading Participant for both accounts in accordance with Paragraph 2 shall be determined by aggregating the respective margin requirements; credit balances shall not be taken into account. The total margin maintenance requirement of a Clearing Member shall be determined by aggregating the margin requirements applicable to it as well as to the Non-Clearing Members represented by it; credit balances shall not be taken into account.

(9) ~~A~~ Clearing Member~~s~~ may ~~determine that~~identify shares deposited in ~~its~~ their internal securities clearing account with Eurex Clearing AG and its pledged securities account (Pfanddepot) at Clearstream Banking AG or SegaIntersettle AG or assigned book-entry securities ~~shall serve~~ as ~~matching cover for call options sold ("Short Calls") on identical underlying securities~~special margin for transactions which are summed up in one margin class, provided that the shares or assigned book entry securities correspond to the underlying of the margin class. The shares or assigned book entry securities shall be evaluated until the next determination of margin determined by Eurex Clearing AG under consideration of the most disadvantageous price development and shall be taken into account on the transactions of the margin class. Surplus special margin shall not be taken into account on other margin classes. Eurex Clearing AG will use such margin as general margin for collateralisation of the remaining liabilities of the Clearing Member. ~~A short position that is covered in this manner shall not be taken into account for purposes of determining the required margin. Ancillary rights resulting from capital changes are not considered matching cover.~~

## 1.3 Accounts

[.....]

# Part 2
# Clearing of Futures Contracts

[.....]

## 2.7 Clearing of Futures Contracts on Shares

[.....]

### 2.7.3 Final Settlement Price

The final settlement price of the Futures contracts will be determined by Eurex Clearing AG (Number 1.6.4 of the Contract Specifications for Futures contracts and Options contracts at the Eurex Deutschland and Eurex Zürich) at the final settlement day of a contract.

(1) With respect to Futures contracts on Swiss shares, the final settlement price is based on the closing price of the respective share calculated by the electronic trading system of Virt-X on the final settlement day.

(2) With respect to Futures contracts on German shares, the final settlement price is based on the closing price of the respective share calculated by the electronic trading system of Deutsche Börse on the final settlement day.

(3) With respect to Futures contracts on Belgian shares, the final settlement price is based on the closing price of the respective share calculated by the electronic trading system of Euronext Brussels on the final settlement day.

(4) With respect to Futures contracts on French shares, the final settlement price is based on the closing price of the respective share calculated by the electronic trading system of Euronext Paris on the final settlement day.

(5) With respect to Futures contracts on Italian shares, the final settlement price is based on the closing price of the respective share calculated by the electronic trading system of Borsa Italiana on the final settlement day.

(6) With respect to Futures contracts on Dutch shares, the final settlement price is based on the closing price of the respective share calculated by the electronic trading system of Euronext Amsterdam on the final settlement day.

(7) With respect to Futures contracts on Spanish shares, the final settlement price is based on the closing price of the respective share calculated by the electronic trading system of Bolsa de Madrid on the final settlement day.

(8) With respect to Futures contracts on Finnish ~~and Swedish~~ shares, the final settlement price is based on the closing price of the respective share calculated by the electronic trading system of Helsinki Stock Exchange ~~OMHEX~~ on the final settlement day.

(9) With respect to Futures contracts on Irish shares, the final settlement price is based on the closing price of the respective share calculated by the electronic trading system of the Irish Stock Exchange on the final settlement day.

(10) With respect to Futures contracts on Austrian shares, the final settlement price is based on the closing price of the respective share calculated by the electronic trading system of the Vienna Stock Exchange on the final settlement day.

(11) With respect to Futures contracts on Greek shares, the final settlement price is based on the closing price of the respective share calculated by the electronic trading system of the Athens Stock Exchange on the final settlement day.

(12) With respect to Futures contracts on Portuguese shares, the final settlement price is based on the closing price of the respective share calculated by the electronic trading system of the Euronext Lissabon on the final settlement day.

(13) With respect to Futures contracts on Swedish shares, the final settlement price is based on the closing price of the respective share calculated by the electronic trading system of the Stockholm Stock Exchange on the final settlement day.[1]

### 2.7.4 Performance, Delivery

[.....]

[1] With respect to Futures Contracts on shares of TeliaSonera, the regulations for Futures contracts on shares of Finnish Stock Corporations apply mutatis mutandis. See Paragraph 8.