X-pand into the Future

e u r e x *circular 256/06*

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Holiday Regulations for January 2, 2007 - Swiss Holiday

Related Eurex Circulars: 251/05

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Content may be most important for:	**Attachment:**
Ü Front Office/Trading Ü Middle + Backoffice	National Holidays in Switzerland: Regulations for 2007

The exchanges virt-x and SWX Swiss Exchange will be closed on a public holiday. There will be no trading in Swiss equity products, equity index products and EXTF products as well as interest products at Eurex on those days. Holidays are also non-value dates for Swiss francs in Switzerland, so that Swiss payment transactions with SIC/SNB and settlement of Swiss products with SegaInterSettle AG (SIS), Zurich, will not be possible. However, it will be possible to make crossborder deliveries for all euro-denominated products. SegaInterSettle AG (SIS), Zurich, and Clearstream Banking Frankfurt are open as normal on these dates and settlement of all non-Swiss products (including crossborder settlement) will take place.

For an overview of all Swiss holidays for 2007 and the procedures, see the attachment.

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National Holidays in Switzerland: Regulations for 2007

Date	Holiday
January 2, 2007	„Berchtoldstag“
May 17, 2007	Ascension Day
May 28, 2007	Whit Monday
August 1, 2007	Federal Holiday

1. Procedures on a Holiday

2. Characteristics on the Exchange Trading Day following the Bank Holiday

1. Procedures on a Holiday

The exchanges virt-x and SWX Swiss Exchange will be closed on the holidays listed above. There will be no trading in Swiss equity products, equity index products and EXTF products as well as interest rate products at Eurex on those days. The holidays are also non-value dates for Swiss francs in Switzerland, so that Swiss payment transactions with SIC/SNB and settlement of Swiss products with SegaInterSettle AG (SIS), Zurich, will not be possible. However, it will be possible to make crossborder deliveries for all euro-denominated products. SegaInterSettle AG, Zurich, and Clearstream Banking Frankfurt are open as normal on these dates and settlement of all non-Swiss products (including cross-border settlement) will take place.

1.1 Trading

On the holidays listed above, trading will not be possible in Swiss equity products, equity index products and EXTF products as well as interest rate products. Consequently, Trade Adjustments or historical transactions from trading of the previous day will not be possible. Also, exercises, Give-ups, Take-ups or Position Adjustments cannot be performed on a holiday.

On all holidays, except for Whit Monday, all Non-Swiss products can be traded without restrictions during the normal trading hours.

1.2 Swiss Francs Payments

Cash calls calculated in Swiss francs from the overnight batch processing of the day before (Premium, Variation Margin) cannot be transferred to the SIC system on a holiday. The amounts, including any payments resulting from use of the Position Transfer with Cash Transfer function will be transferred to the SIC system at the normal times and debited from or credited to the members' SIC accounts one day later.

As opposed to the cash amounts described above, Margin Calls in Swiss francs from batch processing of the previous day, fall due on a holiday. The equivalent amount of these Margin Calls must be deposited for one day in euro at the German Central Bank. Non-compliance will result in the application of the Eurex default procedure pursuant to section 1.7 of the Clearing Conditions for Eurex Clearing AG. The euro amounts deposited by Swiss Clearing Members on a holiday will be repaid on the following day, after completion of settlement in Swiss francs. Due to the procedure above, on the day after a holiday, it may be that two payment instructions could be received on a member's SIC account (resulting from the batches on the day before a holiday and on the holiday itself).

1.3 Euro Payments from Swiss Clearing Members

Euro payments due for Premium, Variation Margin as well as any payments from use of the Position Transfer with Cash Transfer facility, from the batch of the previous day must be available on the cash accounts at the Bundesbank on a holiday. The Eurex Clearing House can support Swiss Clearing Members in procurement of euro provided deposit of the equivalent Swiss francs collateral. The Eurex default procedure, pursuant to section 1.7 of the Clearing Conditions for Eurex Clearing AG will be applied in case of default. On a holiday, Premium and

Variation Margin for Swiss clearing members or their NCMs in euro-denominated products will be due as normal on the following day.

Euro payments for non-Swiss Clearing Members will be processed on a Swiss holiday, as on any normal exchange trading day.

1.4 Clearstream Deliveries

Business operations of Clearstream Banking AG will not be disrupted by the holiday in Switzerland. Consequently, it will be possible to settle delivery instructions in non-Swiss products. Also, crossborder settlement will be possible. SIS will keep the "German, U.S., Italian, Dutch and French" segment open on a holiday, so that deliveries between Swiss Clearing Members can be carried out. Deliveries from exercise/assignment of cross-border instructions will be settled at T + 2 for German products, at T + 3 for U.S., Italian, Dutch and French products and at T + 4 for Finnish products.

1.5 SIS Deliveries in Swiss Products

As a result of the suspension of operations by SIS on a holiday, delivery instructions for Swiss products cannot be carried out on that day. Corresponding deliveries will be made one day later (plus one day). For all due deliveries (exercises up to three days before a holiday), the value date will be extended by the system by one day to T + 4. Value dates shown on Eurex reports will be automatically adjusted. Furthermore, no collateral management transactions involving Swiss products can be carried out on a holiday.

Holiday Trading Calendar Swiss Products

		Day before a holiday	**Holiday**	**Day after a holiday**			
Exercise/ Assignment Day T	Day T + 1	Day T + 2	(plus 1 day)	Delivery at SIS Day T + 4			
	Exercise/ Assignment Day T	Day T + 1	(plus 1 day)	Day T + 3	Delivery at SIS Tag T + 4		
		Exercise/ Assignment Day T	(plus 1 day)	Day T + 2	Day T + 3	Delivery at SIS Day T + 4	
			Exercise/ Assignment Day T	Day T + 1	Day T + 2	Delivery at SIS Day T + 3	
				Exercise/ Assignment Day T	Day T + 1	Day T + 2	Delivery at SIS Day T + 3

1.6 Margin Calculation

On a holiday, the Eurex Clearing house will levy margin requirements for all products. Even though the products are not traded on a holiday, Additional Margin will be calculated for Swiss products on the basis of the settlement price determined on the previous exchange trading day, decreasing the value for Days to Expiration by the number of calendar days at which trading will not take place (i.e., January 2, 2007: minus 4 days; May 17, 2007: minus 1 day; May 28, 2007: minus 3 days; August 1, 2007: minus 1 day). Theoretical prices for all products will be re-calculated. For Swiss products theoretical prices will show only a small change as a result of the holiday.

1.7 Settlement Prices for Swiss Products

On a holiday, settlement prices for Swiss products will be fixed during the course of the morning and sent to members as corresponding BOF Information VALUES broadcasts. These settlement prices will be identical to those of the previous exchange trading day. New theoretical prices for all products (as on any normal day) will be generated during the batch and transmitted to members after calculation.

1.8 Netting of Swiss Positions from the Day before a Holiday and the Day after

Historical transactions in Swiss products are not possible on a holiday. On the day after the holiday, positions from the day before the holiday can be closed out until 13:30 CET without incurring any late closing fees.

2. Characteristics on the Day after a Holiday

2.1 Trading in Swiss Products

All Swiss products can be traded again the day after a holiday, but historical transactions cannot be carried out. However, for these products, it will be possible to close positions from the previous day until 13:30 CET on the day after the holiday, without incurring late closing fees.

2.2 SIC Accounting

As already advised, on the day following the holiday, SIC will receive one invoice or payment advice from Eurex for Swiss or German Clearing Members from the batch processing of the day before the holiday. For Swiss Clearing Members it is possible that a second accounting transaction from the batch of the holiday will be transmitted to SIC (direct debit of Additional or Futures Spread Margin). Clearing Members are advised to make corresponding Swiss francs arrangements in good time. Margin Calls for Swiss Clearing Members resulting from positions from the day before the holiday will be taken into account in the payment advices. In addition, SIC may receive further invoices or payment advices for each Clearing Member, resulting from use of the Position Transfer with Cash Transfer facility.

2.3 Open Delivery Instructions (inclusive Crossborder) at SIS

SIS will resume normal business on the day after the holiday, such that delivery instructions in Swiss products can be executed between all Clearing Members.

2.4 Collateral Management

Collateral management transactions involving Swiss francs payments at SNB or Swiss products at SIS can be carried out as normal.