



eurex clearing circular 024/12

Date: March 29, 2012
Recipients: All Clearing Members of Eurex Clearing AG and Vendors
Authorized by: Thomas Book



Action required



High priority

1. Other Corporate Actions: Process Change from Fines to Disclosure
2. Reduction of Buy-In Fee for Fixed Income Instruments
3. Introduction of Fixed Income Instruments traded on the FWB[®] into the Clearing

Related Eurex Clearing Circulars: 052/11, 018/12

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Content may be most important for:

☞ All departments

Attachments:

Updated sections of the following rules & regulations:

1. Clearing Conditions for Eurex Clearing AG
2. Price List for Eurex Clearing AG

Also:

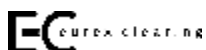
3. CCP Release 7.0 - Buy-In User Guide FWB and Eurex Exchanges, change version

Summary:

This circular informs about the following changes:

1. For other corporate actions there is a process change from fines, for which details were provided with Eurex Clearing circular 052/11, to a possible disclosure.
2. The buy-in fee for the failure to deliver fixed income instruments will be reduced from 10 percent to 0.1 percent of the value of the securities owed. Minimum and maximum amounts remain unchanged.
3. Clearing and service fees in the Price List for Eurex Clearing AG were adjusted in order to consider clearing of fixed income instruments traded at the FWB[®].

The updated Clearing Conditions and CCP Release 7.0 - Buy-In User Guide FWB and Eurex Exchanges will become effective on **April 16, 2012**. The updated Price List will become effective on **May 2, 2012**.



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Aktiengesellschaft mit
 Sitz in Frankfurt/Main
 HRB Nr. 44828
 Amtsgericht
 Frankfurt/Main

1. Other Corporate Actions: Process Change from Fines to Disclosure
2. Reduction of Buy-In Fee for Fixed Income Instruments
3. Introduction of Fixed Income Instruments traded on the FWB[®] into the Clearing

1. Other Corporate Actions: Process Change from Fines to Disclosure

Chapter V Number 2.2 Paragraph 9 of the Clearing Conditions for Eurex Clearing AG currently provides for a contractual penalty for the delayed delivery of securities which may be replaced against cash or against other securities or which offer a choice between different conversion options in the case of a mandatory corporate action. This provision for a contractual penalty will be discontinued. Instead, Eurex Clearing AG shall be able to disclose its claim for transfer which was caused by the defaulting Clearing Member vis-à-vis the Clearing Member which has not received delivery. This new provision corresponds to the provision for the delivery of ETF shares pursuant to Chapter V Number 2.2 Paragraph 12.

2. Reduction of Buy-In Fees for Fixed Income Instruments

As in case of replacement purchases for fixed income securities, even small nominal values may lead to the maximal buy-in fee provided in Chapter V Number 2 Paragraph 9 of the Clearing Conditions for Eurex Clearing AG, the amount of the buy-in fee for fixed income securities is reduced to 0.1 percent of the value of the securities owed, while the current maximal or minimal values remain unchanged.

3. Introduction of Fixed Income Instruments traded on the FWB[®] into the Clearing

As announced in Eurex Clearing circular 018/12, effective May 2, 2012, CCP services will be offered for selected fixed income instruments in collective safe custody traded on Xetra Frankfurt Specialist.

Fees for transactions in fixed income instruments traded on the Frankfurter Wertpapierbörse (FWB[®], the Frankfurt Stock Exchange) are as follows:

- 1) The Clearing Fee (Number 6.1 of the Price List for Eurex Clearing AG) and the Service Fee for Provision of Gross Delivery Management (Number 9.2.1) are based on the existing structures for transactions in shares traded on the Frankfurt Stock Exchange and other non-fixed income instruments. However, these fees will not be charged for transactions in fixed income instruments until the end of 2012. The final amount of clearing and service fees for transactions in fixed income securities will be determined in the course of the year.
- 2) Fees for Delivery Management (Number 6.2) and Settlement Fees (Number 6.3) will not be charged for transactions in fixed income securities traded on the Frankfurt Stock Exchange, other than for transactions in shares traded on the Frankfurt Stock Exchange and other non-fixed income securities. Instead, Settlement Fees for fixed income securities will be charged by Clearstream Banking Frankfurt AG, which corresponds to the provision for non-CCP-eligible securities and Eurex Bonds.

The updated sections of the Clearing Conditions for Eurex Clearing AG, Price List for Eurex Clearing AG and the updated CCP Release 7.0 - Buy-In User Guide FWB and Eurex Exchanges are attached.

March 29, 2012

Clearing Conditions for Eurex Clearing AG

AMENDMENTS ARE MARKED AS FOLLOWS:

INSERTIONS ARE UNDERLINED

DELETIONS ARE CROSSED OUT

[...]

Chapter V

Transactions Concluded at the Frankfurter Wertpapierbörse¹⁰

[...]

Part 2

Clearing of transactions concluded at the Frankfurter Wertpapierbörse (FWB)

[...]

2.1

2.2 Failure to Deliver

[...]

- (7) The defaulting Clearing Member shall bear the costs arising from measures taken pursuant to Paragraph (1) through (4) of this Number. Eurex Clearing AG shall

¹⁰ With regard to the clearing of transactions concluded at the Rhenish-Westfalian Exchange in Düsseldorf (Rheinisch-Westfälische Börse zu Düsseldorf) which share the securities and rights named in Chapter V, Chapter V and all remaining provisions of the Clearing Conditions for Eurex Clearing AG shall apply.

Clearing Conditions for Eurex Clearing AG

a) for each auction held for purposes of making a replacement purchase in one security category held pursuant to Paragraph (1) levy upon each defaulting Clearing Member a fee of 10% of the value of the securities owed pursuant to Paragraph (1) Clause 1,

b) for each auction held for purposes of making a replacement purchase in fixed income securities pursuant to Paragraph (1) – in deviation to letter (a) – levy upon each defaulting Clearing Member a fee of 0.1% of the value of the fixed income securities owed pursuant to Paragraph (1) Clause 1.

but in any case not less than EUR 250.00 or USD 350.00 or CHF 375.00 respectively AUD 500.00 respectively CAD 400.00 respectively DKK 1,900.00 respectively GBP 225.00 respectively JPY 30,000.00 respectively NOK 2,000.00 respectively SEK 2,750.00 and at maximum EUR 5,000.00 respectively USD 7,000.00 respectively CHF 7,500.00 respectively AUD 10,000.00 respectively CAD 8,000.00 respectively DKK 37,300.00 respectively GBP 4,500.00 respectively JPY 600,000.00 respectively NOK 41,000.00 respectively SEK 55,000.00. For the conversion of the fees into the settlement currency, Number 12 Paragraph 4 of the Price List shall apply accordingly.

[...]

(9) If in the course of a corporate action bearers of securities are offered the replacement of securities against cash amount or other securities or in the case of a mandatory corporate action with a choice between different conversion offers, and if the Clearing Member does not deliver to Eurex Clearing AG the securities owed from the FWB Transaction ~~on~~ by the last day of the term for acceptance („value date“) according to Eurex Clearing AG's instructions, and if the Clearing Member which has not received delivery in due time has suffered damages as a result and has provided evidence vis-à-vis Eurex Clearing AG for the existence of a relevant claim within the statutory period of limitation, Eurex Clearing AG may disclose its claim for transfer of the securities which were not delivered in due time by the defaulting Clearing Member, to the Clearing Member which has not received delivery in due time as a result of such default; however, such disclosure may only be made to such extent in which the number of the securities to be delivered to Eurex Clearing AG by the defaulting Clearing Member corresponds to the number of securities to be transferred by Eurex Clearing AG to the Clearing Member which has not received delivery in due time. Such disclosure may also be made after the claim for transfer has been satisfied., the Clearing Member in default for not having delivered the securities in time shall be obliged to pay a contractual penalty to Eurex Clearing AG notwithstanding of Eurex Clearing AG having suffered a loss. ~~Eurex Clearing AG reserves the right to charge a contractual penalty also if it did not explicitly declare such reserve in case of late delivery of the owed securities.~~

a) ~~Irrespective of the delivery of the security having been effected by the Clearing Member in default or the replacement purchase by Eurex Clearing AG pursuant to Chapter V Number 2.2 Paragraph (1), the amount of the contractual penalty shall be calculated on the basis of the offer as follows:~~

~~— Conversion offer in cash~~

Clearing Conditions for Eurex Clearing AG

~~In a conversion offer in cash, the amount of the contractual penalty shall be calculated on the basis of the offered cash amount for one security according to the conversion offer less the settlement price, multiplied by the number of securities owed on the value date and by the acquisition ratio determined at the end of the acceptance period. If necessary, the offered cash amount shall be converted into the currency of the security on the basis of the exchange rates published by Eurex Clearing AG on the value date.~~

~~Conversion offer in securities or cash~~

~~For a conversion offer in securities (bidder's securities) or cash, the amount of the contractual penalty is calculated per security owed on the value date in accordance with the following formula; this is then multiplied by the number of securities owed on the value date:~~

~~Contractual penalty per security =~~

~~$$\text{Maximum}(0; (((\sum_{1-n} (\text{Number}_{\text{Bidder's Securities}} * \text{Price}_{\text{Bidder's Securities}}) + \text{offered cash amount}) - \text{Settlement Price}_{\text{Security}}) * \text{Acquisition Ratio}))$$~~

~~Different conversion offers in securities or cash~~

~~If, in the event of a voluntary corporate action, there is a right to choose between different conversion offers, the contractual penalty is calculated on the basis of the highest value of the conversion offers and the settlement price of the security, multiplied by the number of securities owed on the value date and the acquisition ratio determined at the end of the acceptance period. To this end, the different conversion offers will be calculated using the formula described above and will be compared with one another. The highest contractual penalty per security shall then apply; this will be multiplied by the number of securities owed on the value date.~~

~~Different conversion offers in the event of mandatory corporate actions~~

~~If, concerning a mandatory corporate action, a selection right exists giving a choice between different conversion offers, the contractual penalty per security is to be calculated on the basis of the difference between the highest and lowest value of conversion offers, the result being multiplied by the number of securities owed on the value date.~~

~~The following formula shall be used to calculate the value of the conversion offer:~~

~~Value of conversion offer per security =~~

~~$$\sum_{1-n} (\text{Number}_{\text{Bidder's Securities}} * \text{Price}_{\text{Bidder's Securities}}) + \text{offered cash amount}$$~~

~~Number_{bidder's securities}: Number of bidder's securities offered by the bidder for one security of the target company.~~

~~Price_{bidder's security}: Price for a bidder's security, which is determined as follows: (i) If new issues or new equities are offered, the issue price of the newly issued security offered for subscription will be used as the basis, (ii) if existing securities are~~

Clearing Conditions for Eurex Clearing AG

~~offered and Eurex Clearing AG has a determined a settlement price for the corresponding security, such fixed settlement price shall be used as the basis, (iii) otherwise, the closing price on the stock exchange with the largest turnover in the corresponding security shall be used as the basis. The price of the bidder's securities shall, if necessary, be converted into the currency of the security on the basis of the exchange rates published by Eurex Clearing AG on the value date.~~

~~n: Number of the possibly different securities offered by the bidder.~~

~~Acquisition ratio: Total number of securities that the bidder plans to acquire, divided by the total number of securities offered to the bidder.~~

~~Settlement price^{security}: The daily settlement price determined by Eurex Clearing AG on the value date for the security owed on the value date.~~

~~b) The contractual penalty is charged in the currency in which the corresponding delivery of securities is to be settled and shall only be claimed by Eurex Clearing AG if the calculation in the corresponding currency results in a value of at least EUR 5,000, USD 7,000, GBP 5,000, CHF 7,000, AUD 8,000, CAD 7,000, JPY 550,000, SEK 48,000, DKK 38,000, NOK 40,000 or PLN 20,000.~~

~~c) Should the terms of the conversion offer on which the calculation of the contractual penalty is based, change after the value date and the calculation of the contractual penalty have a different result in due consideration of the changed conditions, Eurex Clearing AG reserves the right to re-calculate the contractual penalty on the basis of the modified conditions.~~

- (10) Should dividend or bonus payments pursuant to Chapter V Number 2.3 Paragraph (2) a) occur for securities to which as yet unperformed FWB Transactions refer or should additional rights pursuant to Chapter V Number 2.3 Paragraph (2) b) be granted and the Clearing Member obliged to deliver be in default, i.e. should the Clearing Member not deliver the securities owed from an FWB Transaction on due date to Eurex Clearing AG according to its instructions, the Clearing Member in default for not having delivered the securities in time shall be obliged to pay a contractual penalty to Eurex Clearing AG notwithstanding of Eurex Clearing AG having suffered a loss. Eurex Clearing AG reserves the right to charge a contractual penalty also if it did not explicitly declare such reserve in case of late delivery of the owed securities.

Irrespective of the delivery of the security having been effected by the Clearing Member in default or the replacement purchase by Eurex Clearing AG pursuant to Chapter V Number 2.2 Paragraph (1), the amount of the contractual penalty charged by Eurex Clearing AG shall be calculated as follows:

The amount of the contractual penalty amounts to 35.8% of the net dividend (dividend being due to the shareholder; less respective taxes and charges), multiplied by the amount of securities owed on the value date. The contractual penalty is charged in the currency in which the corresponding delivery of securities is to be settled and shall only be claimed by Eurex Clearing AG if the calculation in the corresponding currency results in a value of at least EUR 5,000, USD 7,000, GBP 5,000, CHF 7,000, AUD 8,000, CAD 7,000, JPY 550,000, SEK 48,000, DKK 38,000, NOK 40,000 or PLN 20,000.

Clearing Conditions for Eurex Clearing AG

- (11) In addition to the ~~contractual penalty~~ regulations pursuant to Chapter V Number 2.2 Paragraph (9) and Chapter V Number 2.2 Paragraph (10) the following shall apply:
- a) With regard to the delivery of certain securities, Eurex Clearing AG may determine that in case of default in delivery of such securities within a period of time specified by Eurex Clearing AG, Eurex Clearing AG can abstain from charging contractual penalties. Eurex Clearing AG will notify this to its Clearing Members by circular.
 - b) Eurex Clearing AG Clearing shall abstain from claiming damages up to the amount of the contractual penalty vis-à-vis the Clearing Member obliged to deliver, if such penalty has been paid. The right of Eurex Clearing AG to claim damages in excess of the amount of the contractual penalty remains unaffected..
 - c) The contractual penalty regulations do not apply to delivery of securities pursuant to Chapter V Number 2.2 Paragraph 9 or to delivery of ETF shares pursuant to Chapter V Number 2.2 Paragraph 12. The right of Eurex Clearing AG to claim damages remains unaffected.
- (12) To the extent cash distributions according to Chapter V Number 2.3 Paragraph 2 lit. a) accrue with regard to ETF shares which are being referred to by yet unperformed FWB transactions, and if the Clearing Member does not deliver to Eurex Clearing AG the ETF shares owed from an FWB transaction on the due date according to the instructions of Eurex Clearing AG, and if the Clearing Member which has not received delivery in due time has suffered damages as a result and has provided evidence for the existence of a relevant claim vis-à-vis Eurex Clearing AG within the statutory period of limitation – Eurex Clearing AG may disclose its claim for transfer of the ETF shares which were not delivered in due time by the defaulting Clearing Member, to the Clearing Member which has not received delivery in due time as a result of such default; however, such disclosure may only be made to such extent in which the number of the ETF shares to be delivered to Eurex Clearing AG by the defaulting Clearing Member corresponds to the number of ETF shares to be transferred by Eurex Clearing AG to the Clearing Member which has not received delivery in due time. Such disclosure may also be made after the claim for transfer has been satisfied.
- (13) To the extent that interest payments accrue regarding fixed income securities serving as a reference for yet unperformed FWB Transactions, and if the Clearing Member has failed to deliver the fixed income securities owed from an FWB Transaction on the due date according to the instructions of Eurex Clearing AG, Eurex Clearing AG will, upon maturity, collect these interest payments from the Clearing Member selling the fixed income securities and will transfer the interest to the Clearing Member buying the respective fixed income securities. Any payment shall be performed in compliance with the applicable tax laws.
- (14) The right of Eurex Clearing AG and the Clearing Member which did not receive delivery in time to claim further damages shall remain unaffected.

[...]

Price List for Eurex Clearing AG

AMENDMENTS ARE MARKED AS FOLLOWS:

INSERTIONS ARE UNDERLINED

DELETIONS ARE CROSSED OUT

[...]

3. Transaction Fees for Derivatives Transactions (Transactions on the Eurex Exchanges and OTC-Transactions)

[...]

3.11 Physical Delivery resulting from Derivatives Positions and Combination Transactions Option-Share**3.11.1 Clearing Fees**

[...]

3.11.1.2 Physical Delivery from Combination Transactions Option-Share

For security transactions resulting from Combination Transactions Option-Share which are fulfilled by delivery of securities against cash payment, fees shall be paid for the clearing of the respective cash and security claims according to the following chart:

Security transactions resulting from Combination Transactions Option-Share			
Transactions	Fixed Fee per Security Transaction	Value-based Fee per Security Transaction	<u>Maximal Value for Value-Based Fee Calculation</u>
nominated in EUR	EUR 0.06	0.0010 %	<u>EUR 500,000.00</u>
nominated in CHF	CHF 0.08	0.0010 %	<u>CHF 700,000.00</u>
nominated in USD	USD 0.08	0.0010 %	<u>USD 700,000.00</u>
nominated in GBP	GBP 0.05	0.0010 %	<u>GBP 450,000.00</u>

Price List for Eurex Clearing AG

The value-based fee per security transaction is limited insofar as a maximal value is assumed for security transactions according to the following chart above:-

Transactions	Maximal Value for Fee Calculation
Denominated in EUR	EUR 500,000
Denominated in CHF	CHF 700,000
Denominated in GBP	GBP 450,000
Denominated in USD	USD 700,000

3.11.2 Fees for Delivery Management for Shares and Instruments similar to Shares

ECAG charges a fee for the delivery management of claims arising from Futures transactions underlying the delivery of shares or other non-fixed income securities against cash payment. ECAG shall not charge fees for the delivery management of claims arising from Futures transactions underlying the delivery of fixed income securities against cash payment.

The fees stated in the chart shall be charged for the following security claims:

- a) ~~For the claims determined for setoff pursuant to Chapter I Part 1 Number 1.3.1 (1) (b) and 1.3.1 (2) of the Clearing Conditions of ECAG, such claims arising from Futures transactions underlying the delivery of shares or instruments similar to shares against cash payment – the below-mentioned fee shall be charged together for all claims on the due date. No fee shall be charged, if aforementioned netting does not result in a claim to delivery of securities.~~

~~For claims not determined for setoff on the due date, such claims arising from Futures transactions underlying the delivery of shares or instruments similar to shares against cash payment – the below-mentioned fee shall respectively be charged individually.~~

- b)

Delivery Management for <u>Claims Arising from Futures Transactions (Shares and Other Non-Fixed Income Securities Instruments Similar to Shares)</u>	Fee per Security Claim of Clearing Member or against Clearing Member on Due Date
Determination of necessary security assignments and payment instructions	EUR 0.60

This fee shall not be charged for instruments settled with SIX SIS AG.

Price List for Eurex Clearing AG

3.11.3 Settlement Fees

For the settlement of Futures transactions underlying the delivery of shares or other non-fixed income securities against cash payment by delivery/payment with Clearstream Banking Frankfurt AG, ECAG shall charge a fee.¹ For the settlement of Futures transactions underlying the delivery of fixed income securities against cash payment with Clearstream Banking Frankfurt AG, ECAG shall not charge any fees.

The fee specified in the chart shall be charged for the following deliveries/payments:

- a) A delivery/payment of the claims determined for setoff pursuant to Chapter I Part 1 Number 1.3.1 (1) (b) and 1.3.1 (2) of the Clearing Conditions which, however, cannot be set off due to the lack of a counterclaim. Such claims and which shall respectively be summarized to one delivery and one payment each.
- b) A delivery/payment of the claims arising from Futures transactions not determined for setoff which shall each be delivered/paid individually.

If the maximum size of a delivery is exceeded and if, as a result, several deliveries are arranged for, the settlement fee shall be charged for each of these deliveries/payments.

If subscription rights on open claims are granted, no settlement fees for the resulting security assignments and payment instructions shall be charged.

For securities not nominated in EUR or CHF, the settlement fee for security assignment and payment instruction shall be charged in one position.

<u>Settlement of Futures Transactions with Clearstream (Shares and Other Non-Fixed Income Securities)</u>	<u>Fees per Delivery/Payment</u>	
Security Assignment	EUR	0.125
Payment Instruction	EUR	0.15

For the settlement of a futures transactions by delivery/payment with Euroclear UK&Ireland, Eurex Clearing AG charges the following fee:

¹ Therefore, Clearstream Banking Frankfurt AG shall not charge any additional fees for the settlement of such transactions.

Price List for Eurex Clearing AG

<u>Settlement of Futures Transactions with Euroclear UK & Ireland</u>	Fees per Delivery/Payment	
Settlement Service Fee	GBP	0.22
CCP Settlement Fee	GBP	0.425

[...]

6. Transaction Fees of the Frankfurt Stock Exchange (Frankfurter Wertpapierbörse, FWB)²

[...]

6.1 Clearing Fees

No Clearing fees shall be charged for transactions in fixed income securities until 31 December 2012.

The Clearing fees shall be charged once per executed order and day, irrespective of the number of (partial) executions of the respective order and any different execution prices.

6.1.1 Xetra Transactions in Shares and Other Non-Fixed Income Securities

~~For~~With regard to the clearing of FWB transactions (orders) and Xetra OTC transactions (entries) which are accordingly marked-up with the Market Identifier Code "XETR" in the electronic Clearing system of the Eurex Clearing AG ("Xetra-transactions"), in shares and other non-fixed income securities, fixed and value-based fees according to the following charts shall be paid.

² Number 6 as well as the other provisions of the Price List shall also apply mutatis mutandis to the clearing of transactions concluded on the Stock Exchange Düsseldorf, which correspond to the characteristics of the transactions concluded on the Frankfurt Stock Exchange described in Chapter V of the Clearing Conditions and which are included in the clearing process performed by Eurex Clearing AG.

Price List for Eurex Clearing AG**Fixed Clearing Fee for Xetra Transactions in Shares and Other Non-Fixed Income Securities denominated in EUR**

Number of same-day executed orders and entries (monthly per trading participant and Clearing Member)	Fixed Fee per same-day executed order respectively entry³ equates rebate on fixed clearing fee
0 – 50,000	EUR 0.03	0%
50,001 – 100,000	EUR 0.025	16 ² / ₃ %
100,001 – 200,000	EUR 0.02	33 ¹ / ₃ %
200,001 – 400,000	EUR 0.015	50%
400,001 – 750,000	EUR 0.01	66 ² / ₃ %
750,001 – 1,500,000	EUR 0.005	83 ¹ / ₃ %
> 1,500,000	EUR 0.00	100%

Value-based Clearing Fee for Xetra Transactions in Shares and Other Non-Fixed Income Securities denominated in EUR

Number of executed orders and entries in mn EUR (monthly per trading participant and Clearing Member)	Value-based fee equates rebate on value-based clearing fee
0 – 1,000	0.0010%	0%
1,000 – 2,000	0.0009%	10%
2,000 – 4,000	0.0008%	20%
4,000 – 8,000	0.0007%	30%
8,000 – 15,000	0.0006%	40%
> 15,000	0.0005%	50%

The value-based fee per same-day executed order or entry is limited insofar as a maximal value of 500,000 EUR is assumed for same-day executed orders or entries.

³ For FWB transactions concluded by the Xetra BEST facility and booked in the A-Account of an Order Flow Provider or the E-Account of BEST Executors, the fixed clearing fee per executed orders does not apply.

Price List for Eurex Clearing AG**Fixed and Value-based Clearing Fee for Xetra Transactions in Shares and Other Non-Fixed Income Securities not denominated in EUR**

Transactions	Fixed fee per same-day executed order or entry	Value-based fee	Maximal value for value-based fee calculation
Denominated in AUD	AUD 0.04	0.0010%	AUD 700,000.00
Denominated in CAD	CAD 0.04	0.0010%	CAD 700,000.00
Denominated in CHF	CHF 0.04	0.0010%	CHF 700,000.00
Denominated in GBP	GBP 0.03	0.0010%	GBP 450,000.00
Denominated in JPY	JPY 3.00	0.0010%	JPY 55,000,000.00
Denominated in SEK	SEK 0.28	0.0010%	SEK 4,500,000.00
Denominated in USD	USD 0.04	0.0010%	USD 700,000.00

Transactions	Fixed fee per same-day executed order respectively entry
Denominated in AUD	AUD 0.04
Denominated in CAD	CAD 0.04
Denominated in CHF	CHF 0.04
Denominated in GBP	GBP 0.03
Denominated in JPY	JPY 3.0
Denominated in SEK	SEK 0.28
Denominated in USD	USD 0.04

Value-based Fee for Transactions denominated in EUR

Volume of executed orders and entries in mn-EUR (monthly per trading participant and Clearing Member)	Value-based fee equates rebate on value-based clearing fee
0 – 1,000	0.0010 %	0%
1,000 – 2,000	0.0009 %	10%
2,000 – 4,000	0.0008 %	20%
4,000 – 8,000	0.0007 %	30%
8,000 – 15,000	0.0006 %	40%

Price List for Eurex Clearing AG

> 15,000	0.0005 %	50%
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The value based fee per same-day executed order respectively entry is limited insofar as a maximal value of 500,000 EUR is assumed for same-day executed orders respectively entries.

Value-based Fee for Transactions not denominated in EUR

	Value-based Fee
Orders respectively entries in AUD, CAD, CHF, GBP, JPY, SEK and USD	0.0010 %

The value-based fee per same-day executed order or respectively per entry is limited insofar as a maximal value is assumed per for same-day executed orders or respectively entries according to the following chart above.:

Transactions	Maximal Value for Fee Calculation
Denominated in AUD	AUD 700,000
Denominated in CAD	CAD 700,000
Denominated in CHF	CHF 700,000
Denominated in GBP	GBP 450,000
Denominated in JPY	JPY 55,000,000
Denominated in SEK	SEK 4,500,000
Denominated in USD	USD 700,000

Price List for Eurex Clearing AG

6.1.2 Xetra Frankfurt Specialist transactions in Shares and Other Non-Fixed Income Securities

For the clearing of FWB transactions (orders) and of Xetra-OTC transactions (entries) in shares and other non-fixed income securities, fixed and value-based fees according to the following charts shall be paid, which are accordingly marked with the Market Identifier Code "XFRA" in the electronic Clearing system of the Eurex Clearing AG ("Xetra Frankfurt Specialist transactions"). The value-based fee per same-day executed order or per entry is limited insofar as a maximal value is assumed per same-day executed order or entry.

Fixed and Value-based Clearing Fee for Xetra Frankfurt Specialist Transactions in Shares and Other Non-Fixed Income Securities

<u>Transactions</u>	<u>Fixed fee per same-day executed order or entry</u>	<u>Value-based fee</u>	<u>Maximal value for value-based fee calculation</u>
<u>Denominated in EUR</u>	<u>EUR</u> 0.06	0.0010%	<u>EUR</u> 500,000.00
<u>Denominated in AUD</u>	<u>AUD</u> 0.08	0.0010%	<u>AUD</u> 700,000.00
<u>Denominated in CAD</u>	<u>CAD</u> 0.08	0.0010%	<u>CAD</u> 700,000.00
<u>Denominated in CHF</u>	<u>CHF</u> 0.08	0.0010%	<u>CHF</u> 700,000.00
<u>Denominated in GBP</u>	<u>GBP</u> 0.06	0.0010%	<u>GBP</u> 450,000.00
<u>Denominated in JPY</u>	<u>JPY</u> 6.00	0.0010%	<u>JPY</u> 55,000,000.00
<u>Denominated in SEK</u>	<u>SEK</u> 0.56	0.0010%	<u>SEK</u> 4,500,000.00
<u>Denominated in USD</u>	<u>USD</u> 0.08	0.0010%	<u>USD</u> 700,000.00

<u>Transactions</u>	<u>Fixed Fee per same-day executed order respectively entry</u>	<u>Value-based fee per same-day executed order respectively entry</u>
<u>Denominated in EUR</u>	<u>EUR</u> 0.06	0.0010 %

The value-based fee per same-day executed order respectively entry is limited insofar as a maximal value of 500,000 EUR is assumed for same-day executed orders respectively entries.

Fixed Fee for Transactions not denominated in EUR

Price List for Eurex Clearing AG

Transactions	Fixed Fee per same-day executed order respectively entry
Denominated in AUD	AUD 0.08
Denominated in CAD	CAD 0.08
Denominated in CHF	CHF 0.08
Denominated in GBP	GBP 0.06
Denominated in JPY	JPY 6.0
Denominated in SEK	SEK 0.56
Denominated in USD	USD 0.08

Value-based Fee for Transactions not denominated in EUR

	Value-based Fee
Orders or respectively entries in AUD, CAD, CHF, GBP, JPY, SEK and USD	* 0.0010 %

The value-based fee per same-day executed order respectively entry is limited insofar as a maximal value is assumed for same-day executed orders respectively entries with the maximum value according to the following charts:

Transactions	Maximal Value for Fee Calculation
Denominated in AUD	AUD 700,000
Denominated in CAD	CAD 700,000
Denominated in CHF	CHF 700,000
Denominated in GBP	GBP 450,000
Denominated in JPY	JPY 55,000,000
Denominated in SEK	SEK 4,500,000
Denominated in USD	USD 700,000

Price List for Eurex Clearing AG

6.2 Fees for Delivery Management for Shares and Instruments Similar to Shares

ECAG charges a fee for the delivery management of claims arising from FWB transactions in shares and other non-fixed income securities and from Xetra OTC transactions in shares and other non-fixed income securities. ECAG shall not charge fees for the delivery management of claims arising from FWB transactions in fixed income securities and from Xetra OTC transactions in fixed income securities.

The fees stated in the chart shall be charged for the following security claims:

- a) For the claims arising from FWB transactions and Xetra OTC transactions determined for setoff according to Chapter I Part 1 Number 1.3.1 (1) (b) and 1.3.1 (2) of the Clearing Conditions of ECAG, below-mentioned fee shall be charged only once for all claims on the due date. No fee shall be charged if no claim to delivery of securities results from aforementioned netting.
- b) For claims arising from FWB transactions and Xetra OTC transactions not determined for setoff on the due date, below-mentioned fee shall respectively be charged individually on this day. When calculating the fee, claims according to Chapter V Number 2.5.3 Paragraph 3 of the Clearing Conditions shall ~~not~~ be summarized but handled as netted claims.

Delivery Management for Shares and Instruments similar to Shares <u>other non-fixed income securities</u>	Fees per Security Claim of the Clearing Member or against the Clearing Member on the Due Date	
Determination of necessary security assignments and payment instructions	EUR	0.60

6.3 Settlement Fees

For the settlement of a FWB transactions in shares and other non-fixed income securities and of Xetra OTC transactions in shares and other non-fixed income securities by through delivery/payment with Clearstream Banking Frankfurt AG, ECAG shall charge a fee.⁴ For the settlement of FWB transactions in fixed income securities and of Xetra OTC transactions in fixed income securities with Clearstream Banking Frankfurt AG, ECAG shall not charge any fees.

The fee listed in the chart shall be charged for the following deliveries/payments:

⁴ Therefore, Clearstream Banking Frankfurt AG shall not charge any additional fees for the settlement of such transactions.

Price List for Eurex Clearing AG

- a) A delivery/payment of ~~the~~ claims determined for setoff pursuant to Chapter I Part 1 Number 1.3.1 (1) (b) and 1.3.1 (2) of the Clearing Conditions, which, however, cannot be set off due to lack of a counter-claim. These claims and which shall be summarized to respectively one delivery and one payment each.
- b) A delivery/payment for ~~the~~ claims not determined for setoff which shall each be delivered/paid individually.

If the maximum size of a delivery is exceeded and, as a result, several deliveries are arranged for, the settlement fee shall be charged for each of these deliveries/payments.

If subscription rights on open claims are granted, no settlement fees shall be charged for the resulting deliveries.

<u>Settlement of Transactions in Shares and Other Non-Fixed Income Securities with Clearstream</u>	<u>Fees per Delivery/Payment</u>	
Security Assignment	EUR	0.125
Payment Instruction	EUR	0.15

6.4 Transaction Fees for Transactions from the Xetra International Market ("XIM Transactions")

6.4.1 Clearing Fee

For the clearing of XIM Transactions, fees according to below-listed chart shall be paid:

Transactions	Fixed fee per executed order respectively entry		Value-based fee per executed order respectively entry
Denominated in EUR	EUR	0.00	0.0006 %
Denominated in CHF	CHF	0.00	0.0006 %
Denominated in GBP	GBP	0.00	0.0006 %

[...]

9. Service Fees Eurex Deutschland and Eurex Zürich, Eurex Bonds GmbH, Eurex Repo GmbH and Frankfurt Stock Exchange (FWB)

[...]

Price List for Eurex Clearing AG

9.1 Special Service Fees Eurex Deutschland and Eurex Zürich

9.1.1 Service Fees for Provision of Gross Delivery Management (without Netting Agreement) for Combination Transactions Option-Share

For the provision of the electronically supported service for optimization of the delivery processes ("Gross Delivery Management") according to Chapter I Part 1 Number 1.4.2 of the Clearing Conditions, ECAG shall, depending on a sameday netting of claims from security transactions in connection with Combination Transactions Option-Share, charge the following fees. The value-based fee per same-day executed order or per entry is limited insofar as a maximal value is assumed per same-day executed order or entry.

Provision Fee for Gross Delivery Management without same-day netting of claims			
Transactions	Fixed fee per security transaction	Value-based fee per security transaction	Maximal value for value-based fee calculation
Denominated in EUR	EUR 0.09	0.0003%	EUR 500,000.00
Denominated in CHF	CHF 0.12	0.0003%	CHF 700,000.00
Denominated in GBP	GBP 0.08	0.0003%	GBP 450,000.00
Denominated in USD	USD 0.12	0.0003%	USD 700,000.00

Provision Fee for Gross Delivery Management without sameday netting of claims			
	Fixed Fee per Security Transaction	Value-Based Fee per Security Transaction	
nominated in EUR	EUR 0.09	0.0003 %	
nominated in CHF	CHF 0.12	0.0003 %	
nominated in USD	USD 0.12	0.0003 %	
nominated in GBP	GBP 0.08	0.0003 %	

The value-based fee per security transaction is limited insofar as a maximal value is assumed for security transactions according to following chart:

Transactions	Maximal Value for Fee Calculation
Denominated in EUR	EUR 500,000.00
Denominated in CHF	CHF 700,000.00
Denominated in GBP	GBP 450,000.00
Denominated in USD	USD 700,000.00

Price List for Eurex Clearing AG

9.2 Special Service Fees Frankfurter Wertpapierbörse

9.2.1 Service Fees for Provision of Gross Delivery Management

No service fees for provision of Gross Delivery Management with regard to transactions in fixed income securities shall be charged until 31 December 2012.

For provision of the electronically supported service for optimization of the delivery processes (Gross Delivery Management) ~~for FWB transactions and Xetra OTC Transactions~~ pursuant to Chapter I Part 1 Number 1.4.2 of the Clearing Conditions, ECAG shall charge the following fees subject to a same-day netting of claims from FWB transactions in shares and other non-fixed income securities and from Xetra OTC transactions in shares and other non-fixed income securities on the Frankfurter Wertpapierbörse, pursuant to Chapter V Number 2.5 of the Clearing Conditions (Netting Agreement).

9.2.1.1 Gross Delivery Management without Netting Agreement (“Full Service”) for Transactions in Shares and Other Non-Fixed Income Securities

The provision fees “Full Service” shall be charged once per executed order and day, irrespective of the number of (partial) executions of the respective order and any different execution prices. The value-based fee per same-day executed order or per entry is limited insofar as a maximal value is assumed per same-day executed order or entry.

<u>Provision Fee for Gross Delivery Management without same-day Netting of Claims “Full Service” for transactions in shares and other non-fixed income securities</u>				
<u>Transactions</u>	<u>Fixed Fee per Executed Order respectively Entry⁵</u>		<u>Value-Based Fee per executed Order respectively Entry</u>	<u>Maximal Value for value-based Fee Calculation</u>
Denominated in EUR	EUR	0.09	0.0003 %	<u>EUR 500,000.00</u>
Denominated in AUD	AUD	0.12	0.0003 %	<u>AUD 700,000.00</u>
Denominated in CAD	CAD	0.12	0.0003 %	<u>CAD 700,000.00</u>
Denominated in CHF	CHF	0.12	0.0003 %	<u>CHF 700,000.00</u>
Denominated in GBP	GBP	0.08	0.0003 %	<u>GBP 450,000.00</u>
Denominated in JPY	JPY	10.0	0.0003 %	<u>JPY 55,000,000.00</u>

⁵ For FWB transactions concluded by the Xetra BEST facility and booked in the A-Account of an Order Flow Provider or the E-Account of a BEST Executors, the fixed fee per executed orders does not apply.

Price List for Eurex Clearing AG

Provision Fee for Gross Delivery Management without same-day Netting of Claims "Full Service" for transactions in shares and other non-fixed income securities			
Transactions	Fixed Fee per Executed Order respectively Entry⁵		Value-Based Fee per executed Order respectively Entry
Denominated in SEK	SEK	0.84	0.0003 %
Denominated in USD	USD	0.12	0.0003 %

The value-based fee per same-day executed order respectively per entry is limited insofar as a maximal value is assumed for same-day executed orders respectively entries according to following chart:

Transactions	Maximal Value for Calculation of Fees
Denominated in EUR	EUR 500,000.00
Denominated in AUD	AUD 700,000.00
Denominated in CAD	CAD 700,000.00
Denominated in CHF	CHF 700,000.00
Denominated in GBP	GBP 450,000.00
Denominated in JPY	JPY 55,000,000.00
Denominated in SEK	SEK 4,500,000.00
Denominated in USD	USD 700,000.00

9.2.1.2 **Gross Delivery Management with Netting Agreement ("Extended Net Service") for Transactions in Shares and Other Non-Fixed Income Securities**

Provision Fees for Gross Delivery Management with same-day Netting of Receivables
Value-based Fees per Netting Unit
0.0006 %

The value-based provision fee shall be charged on basis of the claims of a business day summarized by security classes to netting units and pursuant to Chapter V Number 2.5 of the Clearing Conditions.

If the value-based provision fee of a netting unit exceeds the sum of the fixed and value-based provision fees — such sum would have been the result without the same-day netting of these claims pursuant to Number 9.2.1.1 — the lower fees for this netting unit shall be charged.

Price List for Eurex Clearing AG

When calculating this fee, a netting of the claims shall also be assumed if, in spite of the netting agreement, it had not been carried out pursuant to Chapter V Number 2.5.3 Paragraph 3 of the Clearing Conditions.

~~Within the gross delivery management and in case of a netting agreement for transactions from the Xetra International Market Switzerland (settlement via SIX SIS AG), the following provisions apply:~~

Provision Fee for Gross Delivery Management in case of Same-Day Netting of Receivables "Extended Net Service" for Transactions in Shares and Other Non-Fixed Income Securities (XIM Switzerland)	
<u>Transactions</u> Value-based Fee per Netting Unit	<u>Value-based Fee per Netting Unit</u>
<u>Xetra and Xetra Frankfurt Specialist</u>	<u>0.0006 %</u>
<u>Xetra International Market (XIM) Switzerland</u>	0.0002 %

~~For transactions regarding Xetra and Xetra Frankfurt Specialist, the following shall apply: If the provision fee "Extended Net Service" for one netting unit exceeds the fee which would have come about without same-day netting of the claims summarized in such netting unit pursuant to Number 9.2.1.1 ("Full Service"), the lower provision fee "Full Service" shall be charged.~~

~~The value-based provision fee shall be calculated on basis of the receivables summarized in netting units via security classes of one trading day according to Chapter V Number 2.5 of the Clearing Conditions of ECAG.~~

~~When calculating the fee, a netting of receivables is also deemed to have taken place if, according to Chapter V Number 2.5.3 Paragraph 3 of the Clearing Conditions of ECAG, such netting has not been carried out.~~

9.2.2 Service Fees for FWB Trading Participants not authorized to Clearing

For the FWB trading participant connected to the Clearing Member (with Direct or General Clearing License) - such trading participants not being authorized to clearing (Non-Clearing Members) - a monthly service fee according to the following chart shall be charged by ECAG to the Clearing Member:

Service Fees for FWB Trading Participants not authorized to Clearing	
Fee per Non-Clearing Member and Month	
	EUR 200,00

[...]



CCP Release 7.0
Buy-in User Guide – FWB and Eurex Exchanges

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1 Introduction

This Buy-in User Guide describes the buy-in functionality provided with CCP Release 7.0. The document contains the buy-in process including specific procedures, and the Cash Settlement Process in case of an unsuccessful buy-in process.

The buy-in process is initiated by Eurex Clearing AG in case of failed trades from the FWB (Frankfurter Wertpapierbörse) in equity style products, or in fixed income products, or in subscription rights¹, or is initiated in case of failed deliveries out of the physical fulfillment of derivative contracts from Eurex Deutschland and Eurex Zürich AG (hereinafter referred to "Eurex Exchanges").

Buy-in process for Xetra International Market, Eurex/ISE Link and ISE Dublin as well as for Securities Lending is described in separate documents.

According to process requirements, the Eurex Clearing AG, acting as buy-in counterpart, involves the Clearing Member (CM) signing responsible for the late sell trade, buy-in auction participants selling to Eurex Clearing AG, and the buyer(s) of the securities.

Chapter 2 gives an overview to the buy-in process.

Chapter 3 details the buy-in processing.

Chapter 4 details the cash settlement procedure.

Chapter 5 describes the display of buy-in related trade information on the members' graphical user interface (GUI) @X-PERT.

Chapter 6 describes the display of buy-in related trade information in the CCP print reports and raw data files.

¹ The term "equity style products" covers equities, all depository receipts (GDRs, ADRs, etc.) and also ETCs/ETNs, the term "subscription rights" covers traded subscription rights and additional rights resulting from corporate actions. Therefore in the following descriptions it is only necessary to distinguish between equities and subscription rights where essential.

2 Buy-in Process Overview

In this chapter an overview of the CCP buy-in process related to buy-in auction for failed equity or fixed income trades, to a disclosure for late subscription rights, and cash settlement for aforementioned products is given. Thereby the buy-in auctions are supported by a multi-markets platform, the Buy-in Tool.

The buy-in process consists of transactions within the CCP system, as well as of transactions outside of the CCP system via the Buy-in Tool and via the Central Security Depositories' settlement applications: CASCADE and Creation at Clearstream,² SECOM at SegalInterSettle (SIS) and CREST at Euroclear UK & Ireland (EUI).

The CCP buy-in process is designed in accordance with the product per market. The general buy-in process is related to the CSDs CBF, CBL and SIS and consists of buy-in auctions or cash settlement. The special buy-in process is related to Euroclear UK & Ireland and consists as well of buy-in auctions or cash settlement but based on a special schedule. Additionally, a specific buy-in process for subscription rights is initiated, consisting of disclosure or cash settlement.

The following table shows the buy-in applicability to the several products in scope:

Product per Market	Buy-in Process	Settlement Currencies	Auction & Cash Settlement	Disclosure & Cash Settlement	Remark	
Equities						
Custody Type	CSC	Eq. via CBF (incl. XTF, ADR)	EUR, USD	x		
		Eq. via SIX SIS	CHF	x		
	NCSC	Eq. via CBL	EUR et alii	x		Special process
		Eq. (incl. ETC) via EUI	GBP, EUR, USD	x		Special schedule and process
Subscription Rights						
Custody Type	CSC	Sbscr. via CBF	EUR (if applicable)		x	
		Sbscr. via SIX SIS	CHF (if applicable)		x	
	NCSC	Sbscr. via CBL	EUR (if applicable)		x	
		Sbscr. via EUI	GBP, EUR (if applicable)		x	
Bonds						
Custody Type	CSC	Bonds via CBF	EUR	x		
	NCSC	Bonds via CBL	EUR et alii	x		

2.1 Buy-in Participants

Every Trading Member wishing to go in for auctions to make a bid in the respective product can apply for an authorized Buy-in Member status, hereinafter referred to as "buy-in seller". For the admission a buy-in contract with Eurex Clearing AG must be signed, which can be downloaded from the Member Section on the Eurex website www.eurexchange.com. The Buy-in Members have access to the web-

² Depending on the custody type, CASCADE is the settlement system for trades in equity style securities held in German or foreign "Collective-Safe-Custody (CSC)", while Creation is used for trades in "Non-CSC (NCSC)" instruments.

based Buy-in Tool and are invited to bid in every announced buy-in attempt³. The Buy-in Member will only not be allowed to participate in the buy-in auction, if he has got failed trades in the security to be stocked up.

2.2 Buy-in Schedules

2.2.1 General Buy-in Schedule

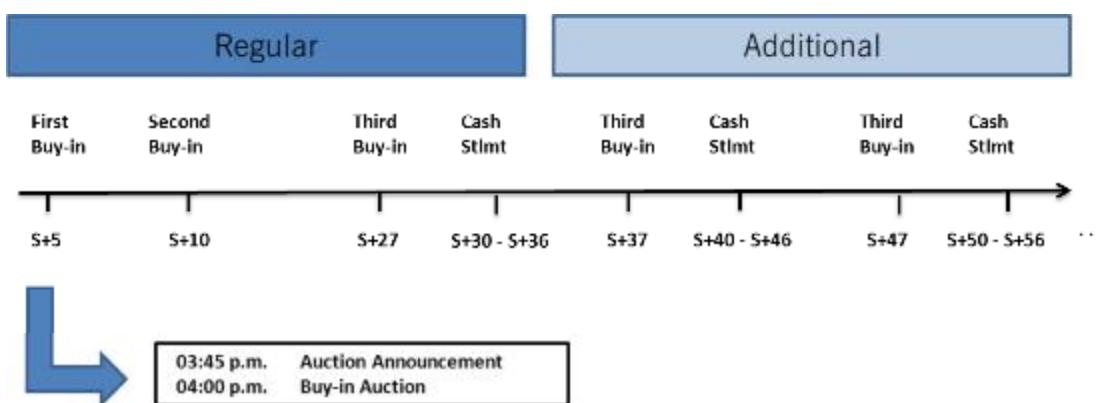
The buy-in process is initiated to settle outstanding failed equity trades or bond trades of a Clearing Member that are to be settled at the CSDs CBF, CBL or SIS. It consists of a regular and an additional buy-in initiation schedule. While the regular process comprises a sequence of three buy-in attempts⁴ and a cash settlement, in the additional process a buy-in auction and a subsequent cash settlement are performed as long as the preceding attempts have been (partially) unsuccessful.

The Clearing Member signing responsible for the late sell trade, hereinafter referred to as the "original seller", has the opportunity of delivering the securities until the first buy-in attempt, and in-between the proceeding buy-in and cash settlement attempts.

A cash settlement for the remaining quantity will be initiated for the first time on S+30, if the assigned buy trade(s) is (are) at least 30 days late. The cash settlement can then be attempted for the first time during a time period of six days from S+30 till S+36.

With the extended buy-in process the auction and cash settlement sequence can be repeated with an open end until the delivery obligation of a late trade has been (completely) fulfilled. Each specific buy-in attempt must have been performed before a cash settlement can potentially take place.⁵

The general buy-in process is as follows:



This schedule is only valid for buy-in and cash settlement of late equity and bond trades.

³ Admission procedure and user information are described in the separately published Buy-in Tool Guide on the Eurex website www.eurexclearing.com > Member Section > Releases > CCP 7.0 > Manuals > Functional Manuals; the operating rules are described in the Auction Terms of Eurex, available under > Documents > Rules & Regulations > Clearing Conditions.

⁴ The number of days late as basis for first and second buy-in auction attempts is defined in the Clearing Conditions for Eurex Clearing AG, *ibid*.

⁵ For details in the context of delay in delivery or payment please refer to the Clearing Conditions for Eurex Clearing AG, available on www.eurexexchange.com > Manuals > Legal Documents & Account Setup.

For late trades in United Kingdom (UK) and Irish equities and in Exchange-Traded Commodities Securities to be settled at the CSD Euroclear UK & Ireland, the schedule is modified, as described below. The applicable buy-in process and specifics are described in chapter 2.3 and 3.2.

For late subscription rights the specific processing described in chapters 2.4 and 3.4 applies⁶.

2.2.2 Extraordinary Buy-in Schedule

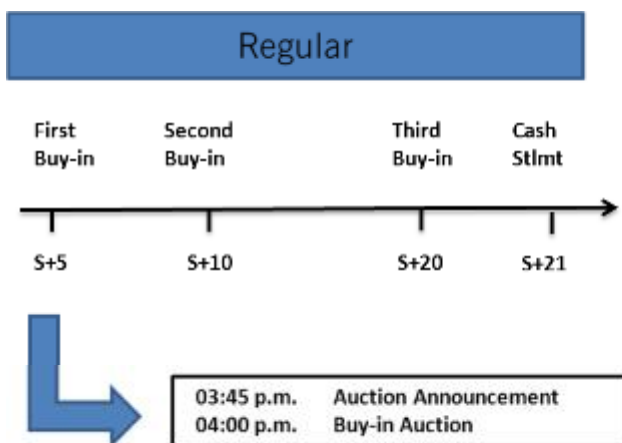
In exceptional cases Eurex Clearing AG has the right to initiate a buy-in outside of the above mentioned schedule. An extraordinary buy-in applies in case a scheduled corporate action event for the respective security takes place on a regular buy-in day.⁷

Hence, Eurex Clearing AG will initiate a buy-in auction outside of the general schedule as follows:

- If the buy-in auction coincides with a corporate action entitlement day of an instrument, it will be postponed for one business day. Hence, a buy-in auction on the entitlement day of a corporate action would be avoided according to this business procedure.
- As subscription rights are in general available for trading and delivery during a restricted period, a special schedule is required to ensure the settlement before the subscription right's expiration date, i.e. at the end of the subscription period or 20 business days after the contractual settlement day (whichever date is earlier).

2.2.3 Special Buy-in Schedule for UK and Irish Products and for Exchange-Traded Commodities Securities with Settlement in EU

For late trades in UK and Irish equities and in Exchange-Traded Commodities Securities to be settled at Euroclear UK & Ireland, the buy-in process schedule is limited to a regular schedule as follows:



It comprises a sequence of three buy-in attempts. If the third buy-in auction has still not completely fulfilled the delivery obligation of the late sell trade, a cash settlement with value date S+21 is finally

⁶ Throughout the document the term "subscription rights" comprises additional rights (additional trades due to corporate actions) as well as traded rights (trades imported from the trading locations Xetra and Xetra Frankfurt Specialist). While traded rights result from shares securitized and held in CSC, additional rights resulting from corporate actions may be rights or partial rights held in NCSC/CSC. Pursuant to the Clearing Conditions for Eurex Clearing AG the special processing applies to both similarly.

⁷ The details regarding this extraordinary procedure are contained in the Clearing Conditions for Eurex Clearing AG, *ibid*.

initiated for the remaining quantity. The three buy-in auctions must have been performed before the cash settlement can potentially take place.

The original seller has the opportunity of delivering the securities after the contractual settlement date until the first buy-in attempt and in-between the proceeding buy-in attempts, until the cash settlement.

If a buy-trade is 21 business days late, a sell-out would be processed, as detailed in chapter 2.3.⁸

When a buy-in attempt has been (partially) successful, the original seller and the Eurex Clearing AG have to delete their pending instruction in CREST. If he has not met the obligation to match the cancellation in CREST and thus transfers securities to the Eurex Clearing AG, the original seller will be in charge: He has to match a reverse instruction from Eurex Clearing AG, and for the significant effort to turn the settlement back, he is liable to pay buy-in fines to Eurex Clearing AG.⁹ The fines processing is described in chapter 3.5.

2.2.4 Buy-in Auction Schedule

A buy-in auction is performed according to this timeline¹⁰:

Until 03:45 p.m.: Announcement of buy-in auction

04:00 p.m. – 4:30 p.m.: Buy-in auction

Until 04:45 p.m.: Determination of auction result

In the event of a (partially) unsuccessful buy-in attempt, the next buy-in attempt follows again this timeline.

2.3 Buy-in Process for UK and Irish Instruments and for Exchange-Traded Commodities Securities

The buy-in process for UK and Irish trades and trades in Exchange-Traded Commodities Securities takes the match status of the trades' buy and sell side into account:

If both sides of a late trade – the sell side of the member and the buy side of the CCP – are matched, the late trade will be considered in the regular schedule for CREST trades depicted above. In case of unsuccessful buy-in attempts, the cash settlement for a late sell trade will be processed on S+21. Further details of the cash settlement procedure can be found in chapter 4.

If the sell side of the member is unmatched, the buy-in process consisting of three buy-in attempts or a cash settlement for the late sell trade is conducted nevertheless, according to the regular schedule.

If the buy side of the member is late and unmatched, buy-in attempts and cash settlement are not applicable. Instead, a sell-out will be conducted in the way that Eurex Clearing AG sells the stock holdings in the market, which have accrued due to settled sell trades. The late buy trade will be cancelled by Eurex Clearing AG. In the CCP the failed buy trade will be earmarked as "cash settled". The defaulting Clearing Member will be excused from the buy obligation and liable to pay to Eurex Clearing AG an allowance of expenditures caused by the sell-out activities.

⁸ Because this is an exceptional case, the sell-out is considered here as a subordinate procedure and not given an own chapter like cash settlement.

⁹ For further details please refer to the Clearing Conditions for Eurex Clearing AG, available under > Manuals > Legal Documents & Account Setup.

¹⁰ The auction timelines may slightly vary due to individual settlement time frames in the CSDs' settlement systems. The time measurement is always referring to Central European Time (CET).

2.4 Buy-in Process for Subscription Rights

Within the CCP two types of subscription rights are processed:

1. Traded rights are received from the trading locations Xetra and Xetra Frankfurt Specialist.
2. Additional rights are not imported from a trading location but added as trades to the CCP due to corporate action event processing based on pending equity trades.

Both additional and traded rights can occur in the same Instrument Security Identification Number (ISIN).

The custody type "CSC" or "NCSC" of the instrument is not important for the buy-in processing of subscription rights, which is detailed in chapter 3.3.

With the buy-in process for subscription rights a specific procedure is in place considering a disclosure period, and if the disclosure was not successful a cash settlement. This procedure applies for additional and for traded rights.

Please note: Partial rights are cash settled by Eurex Clearing AG, no disclosure is conducted.

2.5 Buy-in Process for NCSC Instruments

The buy-in process for late equity/fixed income trades or subscription rights in NCSC instruments is performed in a similar way like for the CSC instruments in scope.

The settlement status of disclosed NCSC subscription rights is set to "externally settled" and the status of cash settled NCSC subscription rights and NCSC equity/fixed income trades is set to "cash settled", like for CSC instruments. Subsequently to a successful buy-in, NCSC trades are instructed via Creation and after verification of settlement, their settlement status is set to "buy-in settled".

The respective settlement status is always reported accordingly; for details see chapter 6.

Please note that UK and Irish instruments as well as Exchange-Traded Commodities Securities in scope are also held in NCSC but are subject to an appropriate buy-in process, as already depicted above.

3 Buy-in Processing

3.1 General Principles

A buy-in or cash settlement is performed by Eurex Clearing AG for a failed sell trade from Xetra or Xetra Frankfurt 2 (FWB) or for a physical fulfillment of a derivative contract at Eurex Exchanges¹¹ not settled within a specified number of days after its contractual settlement date.

Furthermore, a failed trade may arise from the obligation to deliver a specified number of subscription rights not settled within the specified number of late days during the subscription period. This implies a disclosure or a cash settlement.

Quantities contained in an offsetting block resulting from the CCP settlement netting processing are not subject to buy-in processing at all, as here the obligation to deliver securities is offset against the right to receive the same amount of securities. Hence the buy-in processing applies only to net surplus or gross trades to be physically delivered at the respective CSD.

On the basis of the specified number of late days, Eurex Clearing AG takes the following measures regarding failed equity and bond trades:

Eurex Clearing AG initiates buy-in auctions in order to find buy-in sellers to deliver the securities in place of the late original seller. Trades resulting from a buy-in auction are hereinafter referred to as "buy-in trades". The buy-in seller has the obligation to deliver the buy-in securities to the CCP, whereas the originally selling Clearing Member legally retains the obligation to deliver until the buy-in trade is settled. This implies that both, the original seller and the buy-in seller, have a delivery obligation until the settlement of the buy-in trade is verified. As a consequence the failed trade has to be considered as pending within the CCP system up to the settlement of the buy-in trade.

Where it is not possible to receive the total quantity of the failed trade with one buy-in trade, several buy-in trades can be necessary to receive the corresponding quantity of the failed trade. The (several) buy-in trade(s) will be instructed via the CSD's settlement application, depending on the custody type or the settlement currency, as already depicted in the overview table in chapter 2. I.e., while CSC trades are instructed as OTC instructions in CASCADE, CHF trades are instructed via SIS in the SECOM system. NCSC trades are instructed in Creation, and all UK and Irish trades and trades in Exchange-Traded Commodities Securities are instructed in CREST.

Where the buy-in auctions do not lead to a delivery of the required securities, the trade is still regarded as failed and subject to further processing. Eurex Clearing AG performs a cash settlement whereby the obligation to deliver the securities is replaced by a cash payment. Eurex Clearing AG determines the affected buy and sell trades, calculates the cash settlement price, creates the corresponding cash transactions and then marks the trades as "cash settled".

Where the buy-in trade is settled, the delivery obligation of the failed original seller is set to "buy-in settled" in the CCP system for the corresponding quantity of the failed trade. The failed trade remains existent until its total quantity is settled by buy-in trades or by delivery from the original seller himself, or by cash settlement. The defaulting original seller will be debited via the CCP system with the price difference between failed sell trade and the buy-in trade.¹²

¹¹ Derivative contracts are limited to those contracts, which are to be fulfilled physically. However, failed deliveries resulting from notifications/allocations of fixed income futures are not subject to the buy-in processing outlined in this document.

¹² For deliveries of FWB bonds the accrued interest will be displayed in the trade confirmation mail of the auction.

Late delivery fines and interest of delay are calculated for any pending part of a failed equity trade but are currently not charged. Both figures are calculated and charged for bond trades at Eurex resulting from notifications/allocations.

Eurex Clearing AG takes specific measures for UK and Irish trades and for subscription rights, which are described separately in the next chapters.

3.2 Buy-in Processing of Trades in UK and Irish Instruments and in Exchange-Traded Commodities Securities with Settlement in EU

For trades in UK and Irish instruments and in Exchange-Traded Commodities Securities, the processing method "Gross" and the release method "Negative" are applied per default in the CCP. A buy-in for failed sell trades is performed by Eurex Clearing AG according to the schedule already specified in chapter 2.2.3.

If the buy-auction was not successful, the failed trade keeps the default release status "released" and is again subject to regular CCP processing.

The release status "buy-in blocked" refers to the failed sell trade subject to a buy-in auction that has at least partially been successful. Thus it is ensured that the trade is excluded from Gross Delivery Management transactions (except for trade inquiry in the *Trade Overview*).¹³ The successfully stocked up quantity of the pending transaction in CREST has to be deleted by Eurex Clearing AG and the Clearing Member; a duplicate settlement due to omission on defaulting member-side will be fined. According to the successfully stocked up quantity, an instruction will be entered into the CREST system by Eurex Clearing AG and the buy-in seller; the procedure is described in detail in section 3.4.5.

In case the buy-in trade could not be settled in CREST, the respective trade is buy-in released and receives then the release status "released".

The buy-in block and buy-in release activities are recorded in the Daily Gross Delivery Management report (CB230). A buy-in blocked trade is marked accordingly on the member GUI and in the Pending Delivery report (CE260).

For details regarding the status display on the member GUI in the *Trade Overview* and the *Detailed Trade Information* window see chapters 5.1 and 5.2. Regarding the impacts on the CCP print reports and raw data files see the descriptions in chapters 6.1 and 6.2.

3.3 Buy-in Processing of Subscription Rights

Eurex Clearing AG will not initiate a buy-in auction in order to find counterparties to deliver subscription rights in place of the original seller of the failed subscription rights position in CSC or NCSC. Eurex Clearing AG will rather perform a disclosure on the last day of the subscription period or 20 business days after the contractual settlement day (whichever date is earlier).

The buy-in processing of subscription rights as a specific CCP procedure is conducted by the following two step approach:

1. Last day of subscription period or 20 business days after the contractual settlement day (whichever date is earlier):

¹³ For further details regarding the usage of CCP member GUI "@X-PERT", please refer to the separately published CCP User Guide.

CCP discloses original seller and buyer. A maximum of 10 business days is allowed for a bilateral settlement between both counterparts.

2. After disclosures period:

If no agreement between the respective Clearing Members has been reached, Eurex Clearing AG determines a cash settlement in the settlement currency of the instrument.

This buy-in processing does not differentiate between traded rights and additional rights, but they are distinguishable by having a countervalue or not.

3.3.1 Last Day of Subscription Period

On the last day of the subscription period, Eurex Clearing AG identifies all surplus and gross trades that are late on level CCP-CM. NCSC additional rights resulting from underlying trades in CSC equities will be instructed in Creation and settled via the 6series account of the Clearing Member. Traded subscription rights held in CSC are set to "ISIN block" on that day. Then Eurex Clearing AG discloses the respective counterparts of these remaining buy and sell trades to the affected Clearing Member.

The trades with release status "ISIN Block (IB)" are displayed on the *Trade Overview* and the *Detailed Trade Information* window. In the Pending Delivery report (CE260) the respective trades are marked accordingly on CCP-CM. For late trades in United Kingdom (UK) and Irish equities as well as in Exchange-Traded Commodities Securities there exists a special schedule as described in 2.2.3

"Special Buy-in Schedule for UK and Irish Products and for Exchange-Traded Commodities Securities with Settlement in EU"~~Special Buy-in Schedule for UK and Irish Products and for Exchange-Traded Commodities Securities with Settlement in EU~~Special Buy-in Schedule for UK and Irish Products and for Exchange-Traded Commodities Securities with Settlement in EU. The ISIN block action is recorded in the Daily Gross Delivery Management report (CB230). For details regarding the status display on the member GUI in the *Trade Overview* and the *Detailed Trade Information* window see chapters 5.1 and 5.2. Regarding the impacts on the CCP print reports and raw data files see the descriptions in chapters 6.1 and 6.2.

3.3.2 Disclosure Period

During the following disclosure period of ten business days the counterparts have the opportunity to bilaterally agree on a regulation of the deliverable part of the original transaction. Whenever the Clearing Members have confirmed in writing to Eurex Clearing AG a positive settlement feedback, the respective trades receive the settlement status "externally settled". In the Settled Delivery report (CE270) the trades are marked with "EXTE" on the level CCP-CM and "SETTLED" on level CM-customer.

The cash part of the original transaction, typically not equal to 0 for traded rights, is still regulated between the respective Clearing Members and Eurex Clearing AG, as described in chapter 4.2.2. The cash amount is entered by Eurex Clearing AG with cash transaction type 452 CASH SETTLEMENT RCV used to credit the original seller, and with cash transaction type 454 CASH SETTLEMENT PAID used to debit the buyer. Value date for these cash transaction is the following business day.

If the members cannot agree on a bilateral regulation, or, if this agreement is not indicated by both parties to Eurex Clearing AG during the disclosure period until latest until 10:00 a.m. on the business day after the tenth day, the trades will keep their release status "ISIN Block". They are considered within the cash settlement process, as described in chapter 4.

3.4 Buy-in Auction

A buy-in is performed on an aggregated level, i.e., per equity ISIN code for each defaulting Clearing Member for the accumulated quantity of its failed sell trades due for the buy-in attempt, but not based on single failed trade. Hence, multiple failed trades can be subject to one buy-in auction. For the successfully stocked up quantity a buy-in delivery instruction is entered in the CSD settlement system.

The settlement of the instruction will be reflected in the settlement status of the single failed trade indeed.

3.4.1 Identification of Buy-in Trades

On a buy-in day, Eurex Clearing AG identifies the failed trades to be covered by buy-in trades, so called "buy-in candidates", according to the following criteria:

- The sell trade is a certain number of days late, according to the respective settlement schedule outlined above.
- The sell trade is not fully settled on level CCP-CM.
- The remaining quantity of the sell trade is either part of the surplus or is marked for gross processing.

In case the original buy-in quantity consists of more than one failed trade, the oldest failed trade will be replaced first by the buy-in quantity; one partial trade is possible.

Eurex Clearing AG differentiates between "regular" and "irregular" buy-in candidates: Regular buy-in candidates are failed trades relevant for a regularly scheduled buy-in. Irregular buy-in candidates are failed trades that are one additional day late related to a regularly scheduled buy-in due to a corporate action event. Thereby the number of business days is determined based on the CCP calendar and the calendars of the settlement location CBF and SIS, i.e., a business day in this context is defined as a business day in the CCP and at the respective CSD.

The named CCP back office staff of the Clearing Member of the original seller will be informed about the buy-in auction per fax and/or telephone.

3.4.2 Buy-in Initialization

For the failed trades or deliveries a buy-in is initialized by Eurex Clearing AG via the Buy-in Auction Tool. The auction announcement comprises the following data:

- Auction ID
- ISIN, long name and currency of the instrument
- Market (CBF, CBL, SIS, EUI)¹⁴
- Start and end time of the auction
- Quantity/Nominal of the buy-in auction
- Reference price, i.e., last official settlement price from the previous day¹⁵
- Minimum bid quantity (equal to 5% of the original late quantity)

¹⁴ CBF, CBL, SIS, EUI are synonymously used for the settlement applications CASCADE, Creation, SECOM, CREST.

¹⁵ Please note: for bonds, the Buy-in auction is based on clean prices. However, the settlement amount will obviously be calculated considering the accrued interest, i.e., settlement amount is based on the dirty price.

- Maximum bid price
(For equities: equal to reference price plus 100%
for fixed income: equal to 105% of the reference price)

Each registered user of the Buy-in Member receives a buy-in auction announcement via e-mail. Orders can be submitted to participate in the buy-in by using the auction platform.

In exceptional cases Eurex Clearing AG can cancel a scheduled buy-in auction. The Buy-in Members' central coordinators as well as the users who entered orders are automatically informed about the auction cancellation via e-mail.

3.4.3 Buy-in Auction Result Notification

A buy-in auction ends after 30 minutes and orders cannot be entered anymore into the Buy-in Tool. Eurex Clearing AG confirms the auction result, which can consist of one, multiple, or no trades.

Each participant will be informed via e-mail about the auction's outcome by a trade confirmation that contains either a receipt notice about the sold quantity or a notice that the participant was not involved into the auction result.

The named CCP back office staff of the Clearing Member of the original seller will be informed about the buy-in auction result per fax and/or telephone.

3.4.4 Buy-in Block / Buy-in Release

A failed trade for which a buy-in auction has been performed successfully; the release status "Buy-in Block" is set. The buy-in block becomes effective for the available buy-in quantity of a failed trade. Any quantity of a buy-in blocked trade that was previously assigned to an offsetting block keeps the original release status. In case a trade is partially released, the buy-in block is applied first to the released quantity, then to the blocked quantity.

The buy-in block is set after the end of the same-day settlement processing and before the settlement processing for the next business day. This ensures that the trade at that time is not considered in settlement netting; the available buy-in quantity is excluded from settlement on the level CCP-CM and on the level CM-customer. Moreover, it is ensured that no open delivery instruction for this trade exists.¹⁶ I.e., the whole trade is excluded from Gross Delivery Management transactions (except for trade inquiry in the *Trade Overview*).¹⁷

If the buy-in auction was not successful, the failed trade keeps the original release status and is subject to regular processing.

In the case that the buy-in trade has not been settled it is set to "buy-in released". Depending on the product, the available buy-in quantity is then displayed with a specific release status: The buy-in quantity in a CSC instrument will receive the release status "Block", whereas the buy-in quantity in a NCSC equity can have an "ISIN Block" previously set (see chapter 2.5). The buy-in quantity in UK and Irish instruments and in Exchange-Traded Commodities Securities is earmarked as "released" as Gross Delivery Management is limited to inquiry. The part of the trade that was not affected by the buy-in block retains its member release status.

¹⁶ But for trades in UK and Irish instruments this is ensured additionally by deleting the pending instruction in CREST, as already described in chapter 3.2.

¹⁷ For further details regarding the usage of CCP member GUI please refer to the separately published CCP User Guide and Final Release Notes documentation.

The buy-in block and buy-in release activity is recorded in the Daily Gross Delivery Management report (CB230). A buy-in blocked trade is marked accordingly on the member GUI and in the Pending Delivery report (CE260).

For details regarding the status display on the member GUI in the *Trade Overview* and the *Detailed Trade Information* window see chapters 5.1 and 5.2. Regarding the impacts on the CCP print reports and raw data files see the descriptions in chapters 6.1 and 6.2.

3.4.5 Settlement of the Buy-in Trade

Subsequent to the completion of a buy-in auction including distribution of trade confirmations via e-mail or fax, one or more buy-in trades are instructed for settlement at the respective CSD. The buy-in trades are settled via Clearstream Banking Frankfurt (CASCADE/CASCADE RTS in case of a German or foreign CSC instrument and Creation in case of a NCSC instrument), or via EUI or SIS.

The buy-in trade instructions are entered in the ways described in the following sections. Thereby the instructions to be settled via Clearstream have to be entered during the time period after the execution of the buy-in trade and prior to the CASCADE deadline for the STD resp. prior to the Creation deadline for the NTP. Another chance to deliver still in time is detailed in section 3.4.5.5.1.

For the SIS settlement processing the settlement instructions have to be entered in SECOM in due course after the end of the auction to allow a settlement at SIS until latest 10:00 a.m. on the next business day after buy-in day. For the CREST settlement processing the settlement instructions have to be entered during the time period after the execution of the buy-in trade and prior to the CREST deadline, to allow a settlement on the next business day until latest 10:00 a.m. as well.

Afterwards the settlement success is verified and the buy-in trades handled accordingly within the CCP.

3.4.5.1 CASCADE

Depending on the instrument currency, the instructions with EUR settlement amount are to be entered for the upcoming STD settlement run, and the instructions with USD settlement amount for RTS. The buy-in seller enters the buy-in delivery instruction into CASCADE using the "WP-Übertrag/Einzelerfassung" mask (example for the EUR case):

```

TRAN: KVEE FC: WE SB: .....
AUFTRAGSABWICKLUNG      WP-UEBERTRAG / EINZELERFASSUNG      ERFASSUNGSSTATUS
PRIMANOTE: ....          AUFTNR: 1234567          VWA: GS      TR: .
LAST-KTO : 7513 000
GUT-KTO  : 8505 000
WKN      : I DE0005557508
NOMINALE :          1.000.000,00  EINHEIT:          VERKETTUNG (J/N): N
GEGENWERT:          23.456.987,00  WRG : EUR
SET-DAY  : 24.04.2003          SET-ART : 3 MAS      DISPO-PRIORITÄT : 4 MST
                                          SET-SP(J/N): N      EMISS-EINF (J/N): N
SCHLUSSTAG : .....          REFERENZ-NR: 123
EXT SET-DAY : .....          RUECKUEBERTRAG (J/N): N
KURS      : .....          AUFTRAGS-REFERENZ :
WKN D.RECHTS I.....
EX-TAG/BEG. : .....          KE-DATUM: .....
-- ID-KZ: 7513000004 -- PW:          ----- B7513007 -- 23/04/03 -- 15:32:00 --
PF3:Verarbeitung PF4:Abbruch

```

For entering the instruction, the following requirements have to be met:

- Delivery IDs ("Auftragsnummern") less than 7000000 have to be used by the buy-in seller for the buy-in instruction entry in CASCADE.
- As settlement account of the deliverer ("LAST-KTO") the settlement account of the buy-in seller has to be entered. As settlement account of the receiver ("GUT-KTO") always the settlement account 8505 of the CCP as buy-in counterpart has to be entered.¹⁸
- The security related information, ISIN, quantity ("NOMINALE"), payable amount ("GEGENWERT"), settlement day ("SET-DAY"), currency ("WRG"), have to be inserted according to the buy-in auction result.
- In case of EUR, the delivery is instructed for mass settlement, i.e., "SET-ART" equals "3". The settlement day is the next business day after the buy-in auction, whereby the instruction is to be entered on the auction day. For USD the delivery is instructed with "SET-ART: 5" for real-time settlement (RTS), i.e., the settlement day is the current auction day.
- The order number generated by the Buy-in Tool will be entered as reference ("REFERENZ-NR").

Eurex Clearing AG enters the buy-in trade as "OTC trade" and as match instruction to the delivery instruction of the buy-in seller. Thereby the CCP's delivery IDs ("Auftragsnummern") in the number range from 0000001 to 6999999 are used for the buy-in match instruction entry.

3.4.5.2 Creation

The buy-in seller delivers the securities for the upcoming NTP settlement. The buy-in seller enters the buy-in delivery instruction considering the following particularities:

- The settlement day is the next business day after the buy-in auction, whereby the instruction is to be entered on the auction day.

¹⁸ Thereby the foreign currency instructions in CASCADE RTS will be settled in commercial bank money via the CCP 6-series account 68505.

- As settlement account of the deliverer the settlement account of the buy-in seller has to be entered. As settlement account of the receiver the CCP settlement account 68505 as buy-in counterpart has to be used.
- The order number generated by the Buy-in Tool has to be entered as reference.

Eurex Clearing AG enters the buy-in trade as match instruction to the delivery instruction of the buy-in seller. Thereby the CCP is referencing the member's settlement account that is set up in the Buy-in Tool.

3.4.5.3 SECOM

The buy-in seller delivers the securities during the upcoming settlement processing on the next business day. The buy-in seller enters the buy-in delivery instruction considering the following particularities:

- The settlement day is the next business day after the buy-in auction, whereby the instruction is to be entered for same day settlement.
- As settlement account of the deliverer the settlement account of the buy-in seller at SIS has to be entered. As settlement account of the receiver the SECOM Business Partner ID (BP ID) of the CCP DE119005 with Buy-in Account 20.329.528 has to be used.
- The order number generated by the Buy-in Tool has to be entered as reference.

Eurex Clearing AG enters the buy-in trade as match instruction to the delivery instruction of the buy-in seller. Thereby the CCP is referencing the member's settlement account that is defined and set up in the Buy-in Tool.

3.4.5.4 CREST

The buy-in seller delivers the securities on the next business day during the daytime settlement processing (DTP) via instruction entry in CREST.

The buy-in seller and Eurex Clearing AG enter their buy-in delivery instructions considering the following particularities:

- The settlement day is the next business day after the buy-in auction, whereby the instruction is to be entered for the upcoming DTP with value date next business day.
- As settlement account of the receiver the CCP participant ID "CCPEC" has to be used.

Eurex Clearing AG is referencing the member's Participant ID that is set up as settlement account in the Buy-in Tool.

The following screen example shows the "Shared" ledger on the *Transaction Details* window of the CREST GUI, depicting the details of both parties:

Transaction Details - DEL NBE0000118

Transaction Id: NBE0000118 Transaction Reference: E070213320290700 **Retrieve**

Shared Party Details

Participant 1	Participant 2
Participant Id: CCPEC Name: EUREX CCP	Participant Id: FEXIE Name: FEXIE
Shared Note: []	Shared Note: []
Account Id: 1 Nat. Decl: GB	Account Id: [] Nat. Decl: []
Balance Type: Available	Balance Type: Available
Charity Id: []	Charity Id: []
Party Status: Alleged to counterparty	Party Status: Alleged to you
Delayed: <input type="checkbox"/> Frozen: <input type="checkbox"/> Input Time: 10:35:00	Delayed: <input type="checkbox"/> Frozen: <input type="checkbox"/> Input Time: []
Agent Id: None	Agent Id: None
Stamp Status: No SDRT, centrally gen txn	Stamp Status: None
Stamp Consid: [] Stamp Ccy: []	Stamp Consid: [] Stamp Ccy: []
TSO Part Id: CCPEC	TSO Part Id: FEXIE
Sett Firm Id: CCPEC	Sett Firm Id: FEXIE
TSO Deal Cap: Principal	TSO Deal Cap: Agent
Hse Clnt Ind: Account not specified	Hse Clnt Ind: Client
Clear Mbr Id: [] Name: []	Clear Mbr Id: FOXIH Name: FOXIH

RPRs Link Msg CA Option Instruction Investors Lists Add Delete Update Cancel

3.4.5.5 CCP Settlement Verification Procedure

After completion of the respective settlement run, Eurex Clearing AG verifies the receipt of the securities resulting from the buy-in auction.

3.4.5.5.1 Unsuccessful Settlement of the Buy-in Trade

If negative, Eurex Clearing AG investigates whether there was a technical problem on the Buy-in Member's side.

For trades in German or foreign CSC instruments to be settled at CBF, another delivery in EUR is allowed during SDS1, and in USD during RTS until latest 10:30 a.m. For trades in NCSC instruments another daytime delivery via Creation is still possible. In the further processing these instruments, upon the occurrence of a technical delivery default the buy-in seller must promptly provide Eurex Clearing AG with a written statement as to the reasons for its delinquency. The relevant buy-in seller further has to promptly remedy the causes of its technical delivery default.

In the case that the buy-in seller has not delivered the CSC securities in STD or in SDS1 resp. in RTS until 10:30 a.m. latest, the next step at Eurex Clearing AG is to delete the pending delivery instruction in CASCADE. The next possible seller(s) according to the auction list can be asked to step in. Once the next possible buy-in seller has agreed, this participant is obliged to deliver the securities in CASCADE for SDS1 or latest SDS2 resp. in RTS until 01:15 p.m. latest in order to ensure settlement on the same settlement day. Corresponding match and delivery instructions have to be entered again into CASCADE.

A similar further processing applies regarding NCSC instruments: If the buy-in seller has not delivered the securities in Creation during the NTP, the pending delivery instruction for the NTP is deleted by Eurex Clearing AG as well. A delivery instruction by the next possible buy-in seller and a new match instruction by Eurex Clearing AG have to be entered for the DTP. This new instruction must settle until 10:00 a.m. or latest 01:15 p.m., otherwise it is finally deleted.

In contrast to that, another delivery is not allowed for instruments to be settled at SIS SIX AG or Euroclear UK & Ireland. As a settlement on the same settlement day is not possible anymore, Eurex Clearing AG initiates the deletion of the pending matching delivery instructions in SECOM respectively in CREST in case of no settlement until 10:00 a.m. latest.

Thus a buy-in auction is definitely unsuccessful, if no buy-in seller has been found or no buy-in seller has delivered the securities. A buy-in is partially unsuccessful, if not the complete buy-in quantity has been covered. In this case the failed original trades are "buy-in released" and considered within the regular late delivery handling: I.e. processed with release status "Block" the instruments to be settled via CASCADE and in SECOM, with "Release" the CREST instruments, and with "Block" resp. "ISIN Block" the NCSC equities and subscription rights to be settled in Creation.

The original seller's obligation to deliver the corresponding securities is then still valid – until possibly a next buy-in auction resp. cash settlement is initiated.

3.4.5.5.2 Successful Settlement of the Buy-in Trade

Where the receipt of securities on the business day after the scheduled buy-in can be confirmed, the original quantity of the failed trade corresponding to the quantity of the buy-in trade is set to "buy-in settled" to eliminate the original seller's delivery obligation. I.e., the buy-in settlement status becomes effective only for the available buy-in quantity of a failed trade. For SECOM and CREST trades the status is set latest after the business day has ended with completion of the same-day settlement processing. Creation and CASCADE trades are buy-in settled latest after the business day has ended with completion of the DTP resp. SDS2.

The securities the CCP has received via the buy-in are transferred to the buyer.

In the CCP system the corresponding quantity of the failed trade is then treated as "settled" on the levels CCP-CM and CM-customer within the Risk Based Margining calculation, Gross Delivery Management and Net Delivery Management, as well as in the display on the member GUI.

In the reporting referring to the next settlement run the buy-in settled quantity is accordingly displayed in the Settled Delivery report (CE270). For details regarding the status display on the member GUI in the *Trade Overview* and the *Detailed Trade Information* window see chapters 5.1 and 5.2. Regarding the impacts on the CCP print reports and raw data files see the descriptions in chapters 6.1 and 6.2.

3.4.6 Buy-in Trade Related Cash Transactions

The settlement amount required for the buy-in trade is debited to the Clearing Member of the failed original seller. All payments in EUR and CHF are settled in Central Bank money at German Bundesbank or Swiss National Bank, and payments related to settlement via EUI are settled via payment banks. Payments in USD or other currencies are settled via the linked CBF Creation account in commercial bank money.

The settlement amount is calculated as price difference between the unit prices of the failed trades and the average unit price of the buy-in trade(s), multiplied with the quantity.

Eurex Clearing AG enters the cash transactions into the CCP system as soon as the successful settlement of the buy-in trade is verified. Any surplus resulting from price differences between the buy-in and the original trade remains with Eurex Clearing AG and will be credited to the company's capital reserves. A unit price of the buy-in trade greater than the unit price of the failed trade indicates that Eurex Clearing has paid a greater cash amount for the buy-in trade as it receives from the buyer. Hence, this amount needs to be debited to the Clearing Member of the failed original seller. This situation is regarded as typical for buy-ins.

The exceptional event that the unit price of the buy-in trade is smaller than the unit price of the failed trade indicates that Eurex Clearing has paid less than it receives from the buyer. In this case Eurex Clearing AG will trigger that the difference amount is credited to the company's capital reserves of Eurex Clearing AG. No additional cash transaction is required for this case.

The cash transactions are displayed in the Settled Cash Transactions report (CD250). For details regarding impacts on the CCP print reports and raw data files see the descriptions in chapters 6.1 and 6.2.

3.5 Buy-in Fees and Fines

A buy-in fee is debited to the Clearing Member of the failed original seller. This buy-in fee is designed to compensate the effort caused by a buy-in processing; hence the fees are charged once for every performed buy-in auction.

In general a buy-in fee of 10% of the outstanding amount, minimum EUR 250.00 /CHF 375.00 /GBP 225.00 /USD 350.00/SEK 2,750.00 and maximum EUR 5,000.00. /CHF 7,500.00, /GBP 4,500.00 /USD 7,000.00 /SEK 55,000.00 is charged to the Clearing Member of the original seller per auction in the settlement currency.

For bonds traded at FWB a buy-in fee of 0,1% of the outstanding amount, minimum EUR 250.00 /CHF 375.00 /GBP 225.00 /USD 350.00/SEK 2,750.00 and maximum EUR 5,000.00. /CHF 7,500.00, /GBP 4,500.00 /USD 7,000.00 /SEK 55,000.00 is charged to the Clearing Member of the original seller per auction in the settlement currency.

Additionally, in conjunction with the buy-in processing for Irish and UK instruments and for Exchange-Traded Commodities Securities, buy-in fines are effective. Because of allowances for special expenditures at Eurex Clearing AG in case that the original seller did not cancel but transferred securities in CREST although his obligation to deliver expired effectively with the buy-in success, he is liable to pay the amount of GBP 350.00/EUR 500.00 /USD 700.00 to Eurex Clearing AG.

Further details¹⁹ are contained in the current Clearing Conditions for Eurex Clearing AG which are available at www.eurexclearing.com > [Documents](#) > [Rules & Regulations](#) > [Clearing Conditions](#) at the Eurex website.

¹⁹ Also regarding contractual penalty for late deliveries on dividend record dates and record dates of other corporate actions.

4 Cash Settlement Procedure

The cash settlement process is performed for the failed quantity of a sell trade in an equity, bond, exchange traded fund (ETFs) or subscription right relevant for cash settlement.

The cash settlement will be initiated regularly scheduled in case a failed trade has not been fully settled by the predefined number of days after the contractual settlement date, in case the buy-in auctions were not successful, or, subsequent to an unsuccessful disclosure for subscription rights. Cash settlements are expected to occur only in a highly illiquid market – meaning that the market price for the security has risen significantly and that no market participant is willing to sell the security. In such a situation the member who sold short the security may be unable to acquire the security in order to deliver to the original buyer(s). Therefore the ungratified buyers should obtain compensation for not having received the security they contracted for, as it is likely that they will be unable to re-invest the cash settlement proceeds in the original security.

4.1 Identification of Cash Settlement Relevant Trades

On a potential cash settlement day according to the buy-in schedule, Eurex Clearing AG identifies cash settlement candidates, i.e., failed sell trades that have not been successfully covered meantime. In general, a cash settlement will only be initiated, if at least one corresponding buy trade fulfills the criteria listed below. To settle the failed sell trade one or more corresponding buy trades need to be identified.

The following criteria apply:

- The buy trade belongs either to the surplus or is marked for gross processing.
- The buy trade is not fully settled on level CCP-CM.
- The buy trade is 30 or more days late. For products with CSD EUI²⁰ a special processing is applied, where the buy trade longest due is selected.

If there are more than one buy trade fulfilling these criteria, the buy trade with the oldest contractual settlement date will be considered first.

Additionally, Eurex Clearing AG identifies cash settlement candidates resulting from a disclosure, i.e., failed sell trades that could not be bilaterally regulated between the two trading participants meanwhile.

To settle the failed sell trade the cash settlement candidates are identified after the same-day settlement processing. Depending on the quantity of the failed sell trade(s), one or several buy trades as well as a fraction of a buy trade can be determined.

Before performing the cash settlement, Eurex Clearing AG always informs the named CCP back office staff of the failed seller's Clearing Member and the selected buyer(s) per fax and/or telephone about the cash settlement.

4.2 Cash Settlement Amounts Calculation

The cash amount required for the cash settlement is debited to the Clearing Member of the defaulting original seller. It is calculated as the price difference between the defined cash settlement price and

²⁰ UK and Irish products and Exchange-Traded Commodities Securities

the failed trade price, times quantity. The Clearing Member(s) of the buyer(s) of the identified trade(s) is (are) credited with a compensation amount, which is calculated as the price difference between the defined cash settlement price and the trade price of the respective buy trade, times quantity.

In a first step, for equities, the cash settlement price of the failed trades is determined as the last official settlement price plus an add-on of 100%, whereas the trade prices of the respective buy and sell trades serve as floor: $P_{CS} = \text{Max} ((P_L * 2); P_B; P_S)$

For subscription rights, the cash settlement price of the failed trades is determined as the calculated value of the rights based on the last official settlement price of the related security plus an add-on of 100%, whereas the highest price of sale and the highest purchase price in the relevant FWB transactions respectively deliveries serve as floor.

For bonds, the cash settlement price of the failed trades is determined as the last official settlement price plus an add-on of 300 basis points, whereas the trade prices of the respective buy and sell trades serve as floor. Clean prices are used as basis of the calculation, accrued interest is not considered.

In a second step, the cash settlement and the cash compensation amount are calculated.

The following example is related to equity trades. However, the calculation for subscription rights and for bonds will be analogously.

The debit cash amount is calculated with the formula²¹: $D_{CS} = (P_{CS} - P_S) * X$

The credit cash amount in favour of the respective buyer(s) is (are) calculated with the formula:

$$C_{CS} = (P_{CS} - P_B) * X$$

Legend:

D_{CS} = Debit amount

C_{CS} = Credit amount

P_{CS} = Cash settlement price

P_L = Last official settlement price

P_B = Price of buy trade

P_S = Price of sell trade

Example:

Last official settlement price: 50

Sell trade

#	Stl-Date	Qty	Price
1	09.05.2003	400	110

Buy trades

#	Stl-Date	Qty	Price
1	06.05.2003	200	115
2	08.05.2003	200	105

²¹ Bond prices are quoted as percentage of the nominal/quantity; these percentages are to be used in the formula.

Two cash settlement amounts can be calculated in this example.

Based on the applied formula $P_{CS} = \text{Max}(100; 115; 110)$, the debit amount is calculated as:

$$D_{CS} = (115 - 110) * 400 = 20000;$$

and the credit amounts per buy trade are calculated as:

$$C_{CS} = (115 - 115) * 200 = 0 \text{ and } C_{CS} = (115 - 105) * 200 = 20000$$

Thus, the cash amount required for the cash settlement, $D_{CS} = 20,000.00$, is debited to the Clearing Member of the defaulting original seller. The Clearing Member of the buyer of the identified trade #2 is credited with the compensation amount $C_{CS} = 20,000.00$.

The number of cash transactions depends on the number of involved members.

4.3 Cash Settlement Related Cash Transactions

The required cash amount is entered by Eurex Clearing AG with cash transaction type 452 CASH SETTLEMENT RCV used to credit the buyer, and with cash transaction type 454 CASH SETTLEMENT PAID used to debit the defaulting original seller. Value date for these cash transaction is the next business day.

The settled cash transactions are displayed in the Settled Cash Transactions report (CD250). For details regarding the impacts on the CCP print reports and raw data files see chapters 6.1 and 6.2.

A cash settlement fee is currently not considered.

4.4 Settlement of Cash Settlement Trades

On the cash settlement day, in the time frame after completion of the daytime settlement processing at the respective CSD and before the upcoming settlement processing for the next business day, Eurex Clearing AG sets the settlement status of the failed sell trade and the corresponding buy trade(s) to "cash settled". This eliminates the defaulting original seller's delivery obligation.

In the CCP system the corresponding quantity of the failed trade is treated as "settled" on the levels CCP-CM and CM-customer within the Risk Based Margining calculation, Gross Delivery Management, Net Delivery Management as well as in the display on the member GUI.

In the reporting for the next settlement run at the CSD the cash settled quantity is displayed with status "CASH" on CCP-CM level in the Settled Delivery report (CE270).

For details regarding the status display on the member GUI in the *Trade Overview* and the *Detailed Trade Information* window see the next chapters 5.1 and 5.2. Regarding the impacts on the CCP print reports and raw data files see the descriptions in chapters 6.1 and 6.2.

5 Buy-in Related Information on @X-PERT Member GUI

5.1 Trade Overview

Where a buy-in auction was successful, Eurex Clearing AG buy-in blocks the original failed trades before the settlement processing for the next business day starts. By means of the buy-in block status the trades are excluded from Gross Delivery Management (except inquiry) and the regular settlement processing. The buy-in block does not impact any quantity of a failed trade not belonging to a surplus and not marked for gross processing, i.e., this trade quantity is still available for Gross Delivery Management as appropriate for the product, as well as considered in the settlement processing.

The release status of a buy-in blocked sell trade is displayed as "BI" on the *Trade Overview*. For buy-in blocked trades the delivery indicator is not applicable and therefore accordingly shown with "NA".

After the completion of the buy-in auction, in the CCP system the buy-in quantity is set to "buy-in settled" in case of a positive result, or to "buy-in released" in case of an unsuccessful auction. However, no new values will be displayed on the *Trade Overview*: after a buy-in release the release status "BL" for "Blocked", "R" for "Released" or "IBL" for "ISIN Blocked" is displayed depending on the product as specified above; for buy-in settled, externally settled and cash settled trades the settlement status "S" for "Settled" is displayed. Hence, analogously to regularly settled trades, these trades can be inquired until the end of business day as triggered off at the respective CSD.

At the end of the subscription period the release status "IB" is set for the subscription rights in the affected ISIN code and displayed in the *Trade Overview*. Since the ISIN block has only an impact on trades that are part of the surplus or marked for gross processing, the status is only displayed for a delivery that shows an "external delivery (EX)", a "trade split (TS)" or a "non-applicability (NA)".

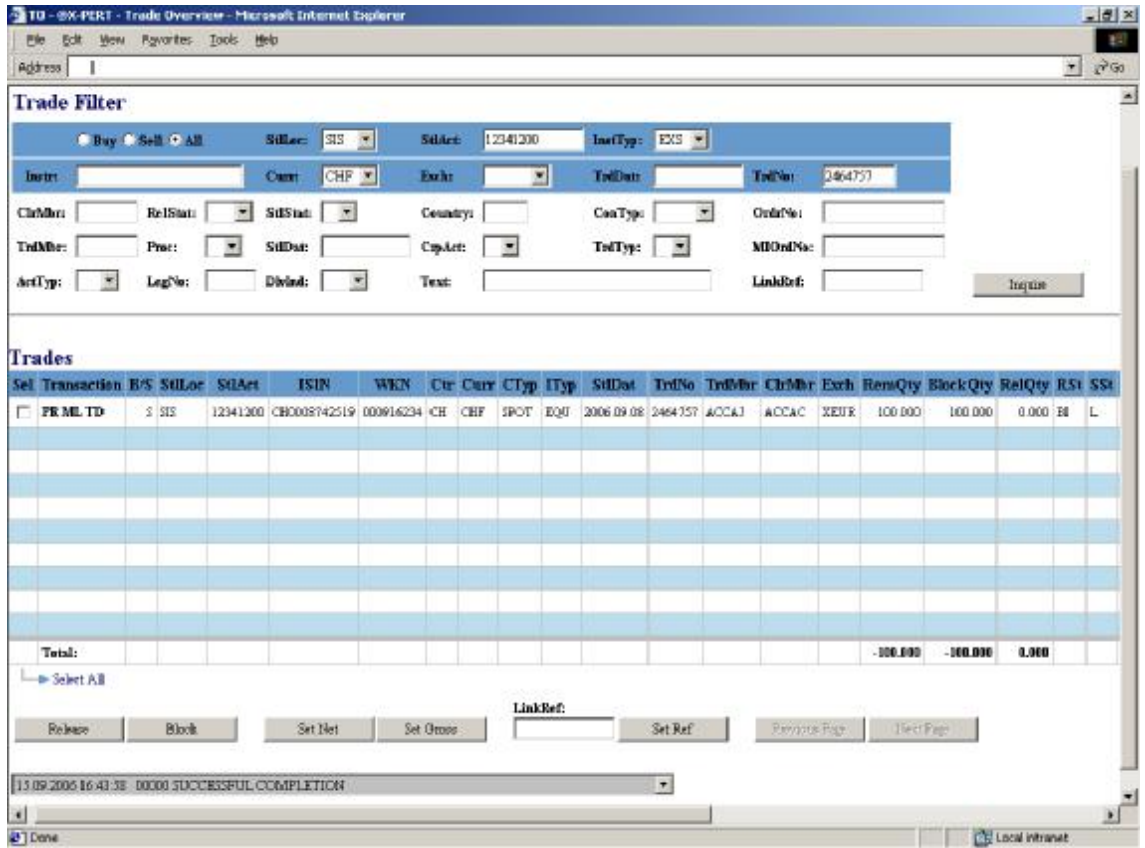


Figure 1: Trade Overview

The general description of the *Trade Overview* can be found in the CCP User Guide.

5.2 Detailed Trade Information

The display of the release and settlement status in the context of the Buy-in and Cash Settlement Processing are provided for the *Detailed Trade Information* window in the same way as for the *Trade Overview*.

The release status "BI" for buy-in blocked trades, the settlement status "S" for "Settled", the release status "BL" for "Blocked", "R" for "Released" or "IB" for "ISIN Block" after a buy-in release, depending on the product, are displayed in the *Detailed Trade Information* window with delivery indicators as specified above.

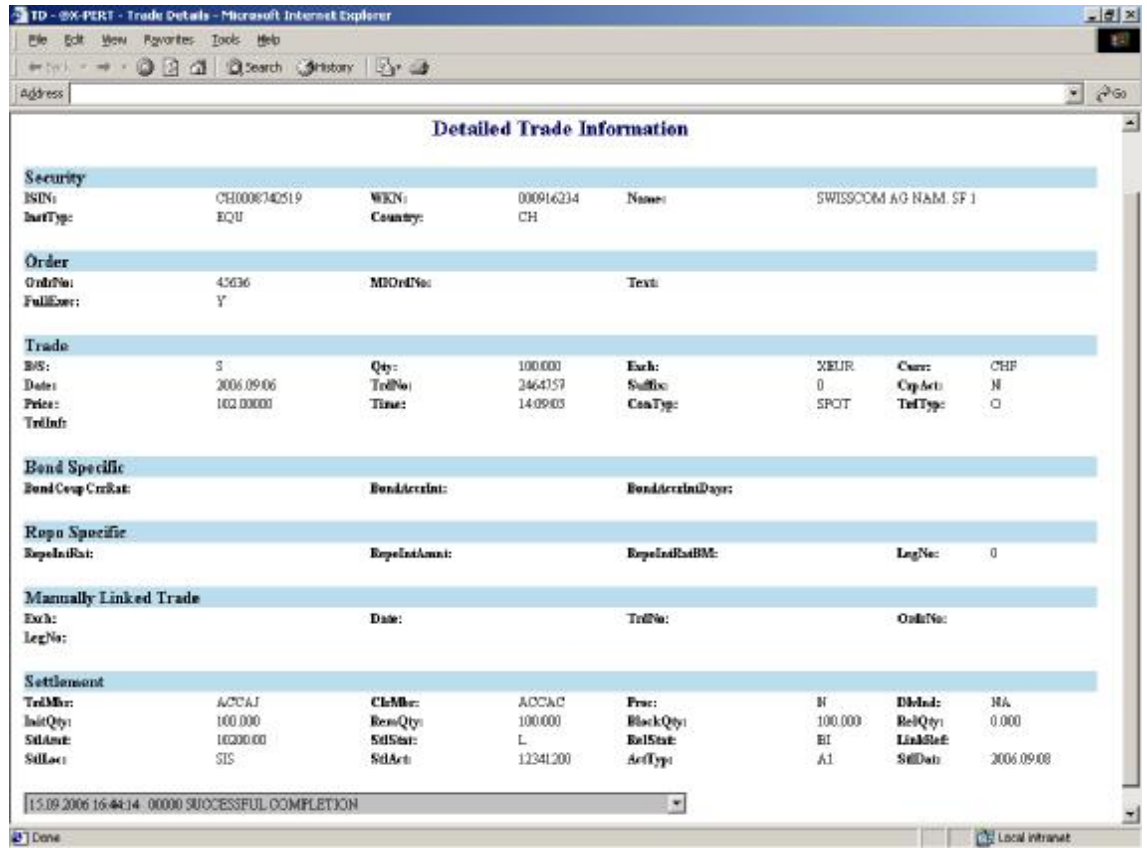


Figure 2: Detailed Trade Information

The general description of the *Detailed Trade Information* window can be found in the CCP User Guide.

6 Buy-in Related Information in CCP Reports

The impact of the buy-in process on the reporting concerns the formatted print reports as well as the raw data files, which are described separately in the following two chapters.

6.1 Formatted Reports (RPT)

6.1.1 RPTCB230 Daily Gross Delivery Management

This report includes the buy-in block and buy-in release activities on a failed sell trade performed by Eurex Clearing AG. The field TRANS (field 18) is filled with "BIBL" for "Buy-in Block" and "BIRL" for "Buy-in Release".

The example shows two buy-in blocked trades with a quantity of each 100 shares. Additionally, a buy-in released trade is displayed to completely show the new values available in the report.

```

0          1          2          3          4          5          6          7          8          9          10         11         12
13
123456789012345678901234567890123456789012345678901234567890123456789012345678901234567890123456789012
01|EUREX                                     DAILY GROSS DELIVERY MGMT.                                     PAGE:
1
02|RPTCB230                                     AS OF DATE: 19-
12-06
03|                                             RUN DATE: 19-
12-06
04|
05|SETTLEMENT ACCT : 40700000 (1)  SETTLEMENT LOCATION : SIS (2)
06|CLEARING MEMBER : ABCFR Bank AG (3/4)
07|EXCHANGE MEMBER : ABCFR Bank AG (5/6)
08|ISIN          : CH000E0CHC07(7)  SETTLEMENT CURRENCY : CHF(8)  MAINTENANCE DATE : 19-12-06 (14)
09|
10|TRAD TRD  TRADE  TRADE LEG  MAINT  ORDER  NOMINAL/  TRAN  QUANTITY  TRAD ID  PERFORMED BY
11|LOC  TYP  DATE    NUMBER    TIME    NUMBER  QUANTITY
12|-----
13|(9) (10) (11)  (12) (13) (15)  (16)  (17)  (18)  (19)  (20)  (21)
14|XEUR O 19-12-06 9555559 13:10:59 100.00- BIBL 100.00 EUREXMRSEPV
15|XEUR O 19-12-06 9555558 13:10:59 100.00- BIBL 100.00 EUREXMRSEPV
16|XEUR O 19-12-06 9555558 13:10:59 200.00- BIRL 200.00 EUREXMRSEPV
17|
18|*** Transactions which are settled by cash transfer only are irrevocable and enforceable by the time this report is distributed
but legally fulfilled by receiving the confirmation of the receipt of payment.
20|
21|*** END OF REPORT ***

```

Report Example 1: RPTCB230 Daily Gross Delivery Management

In the context of the specific buy-in process for subscription rights the block and release of an ISIN code is recorded in this report. The transaction type "TRAN" is filled with the value "IBL" for "ISIN Block" and with "IRL" for "ISIN Release".

The general description of the Daily Gross Delivery Management report (CB230) can be found in the Description Report Layouts and Raw Data.

6.1.2 RPTCE260 Pending Delivery

This report is generated within the end of business day processing. A failed sell trade, for which the buy-in auction was successful, is set to "buy-in blocked", shown with the status "BIBL" in the report in column "STATUS CM-CUST" (field 31).

Depending on the delivery category a buy-in blocked trade quantity is recorded as follows:


```

03|
12-06|
04| SETTLEMENT ACCT: 10200000          SETTLEMENT LOCATION: CBF          HEAD SETTLEMENT ACCT:
05| CLEARING MEMBER: XYZFR          CURRENCY: EUR          INSTRUMENT: NCE01          Test Instrument 035          HEAD SETTLEMENT LOC:
EQUITY|                                     DE000BNCSC01          TYPE:
06| ACCOUNT TYPE:                   EXCHANGE MEMBER:                   CONTRACT TYPE:                   ORIGIN TYPE: D
07|
08| INFORMATION LISTED: NET DELIVERY INFORMATION
09|
10|
11| TRADE   SETTLE   TRAD TRD TRADE   LEG ORDER NUMBER /   MEMBER INT   ORD   TRADE   TRADE   NO. STATUS
C|         DATE     DATE     LOC   TYP NUMBER   ACCR INTEREST   TEXT           TYP NOMINAL/QUANTITY   SETTLEMENT AMOUNT   D/L CCP-CM/
12| A
13| -----
14| 08-12-06 12-12-06 XEUR O 7777779          N          100.000-          200.00 0 LATE
15| Y
16|                                     0          BIBL
17| TOTAL QTY/AMT OF NET DELIVERY ID: N/A          DELIV QTY:          -20.000 (34) DELIV SETTLEM AMT:          100.00
(35)
18| COUNTER CSD: CEL (36)          CSD ACCT: 67525 (37)
19|
20|
21|                                     TOTAL AMOUNT PER INFORMATION LISTED :          200.00
22|
23|                                     TOTAL AMOUNT PER ORIGIN TYPE :          200.00
24|
25|                                     TOTAL AMOUNT PER CONTRACT TYPE :          200.00
26|
27|                                     TOTAL AMOUNT PER EXCHANGE MEMBER :          200.00
28|
29|                                     TOTAL AMOUNT PER ACCOUNT :          200.00
30|
31|                                     TOTAL AMOUNT PER ISIN :          200.00
32|
33|                                     TOTAL AMOUNT PER CLEARING MEMBER :          200.00
34|
35|                                     TOTAL AMOUNT PER SETTLEMENT ACCT :          200.00
36|
36| *** Transactions which are settled by cash transfer only are irrevocable and enforceable by the time this report is distributed
36| but legally fulfilled by receiving the confirmation of the receipt of payment.
38|
39| *** END OF REPORT ***

```

Report Example 2: RPTCE260 Pending Delivery

In the context of the specific buy-in process for subscription rights the "ISIN block" is recorded in this report in the "STATUS CCP-CM" field with the value "IBL".

The general description of the Pending Delivery report (CE260) can be found in the Description Report Layouts and Raw Data.

6.1.3 RPTCE270 Settled Delivery

Buy-in and cash settlement performed by Eurex Clearing AG are displayed in this report in column "STATUS CCP-CM" (field 31) after the settlement run following the manual settlements. Buy-in settled sell trades receive the settlement status "BUYI", whereas cash settled buy and sell trades resp. sold-out buy trades, as well as subscription rights receive the settlement status "CASH".

Additionally, in the context of the specific buy-in process for subscription rights the settlement status "externally settled" is shown in this report in the "STATUS CCP-CM" field with the value "EXTE".

The buy-in settled or cash settled quantities are displayed in the section "NET DELIVERY INFORMATION" where the trade is part of the surplus, resp. in the section "DELIVERIES MARKED FOR GROSS PROCESSING" (field 16) where the trade is marked for gross processing.


```

21| TOTAL QTY/AMT OF NET DELIVERY ID: 7400020          DELIV QTY:          -80.000    DELIV SETTLEM AMT:          240.00
22|
23|
24|                                     TOTAL AMOUNT PER INFORMATION LISTED :          240.00
25|
26|                                     TOTAL AMOUNT PER ORIGIN TYPE       :          240.00
27|
27|                                     TOTAL AMOUNT PER CONTRACT TYPE    :          240.00
29|
30|                                     TOTAL AMOUNT PER EXCHANGE MEMBER  :          240.00
31|
32|                                     TOTAL AMOUNT PER ACCOUNT          :          240.00
33|
34|                                     TOTAL AMOUNT PER ISIN              :          240.00
35|
36|                                     TOTAL AMOUNT PER CLEARING MEMBER  :          240.00
37|
38|                                     TOTAL AMOUNT PER SETTLEMENT ACCT   :          240.00
39|
40| *** Transactions which are settled by cash transfer only are irrevocable and enforceable by the time this report is distributed
41| but legally fulfilled by receiving the confirmation of the receipt of payment.
42|
43| *** END OF REPORT ***

```

Report Example 3: *RPTCE270 Settled Delivery*

The general description of the Settled Delivery report (CE270) can be found in the Description Report Layouts and Raw Data.

6.1.4 RPTCD250 Settled Cash Transactions

Late Delivery Fines (LDF) and Interests of Delay (IoD) are determined currently for information purposes only with respect to equity and subscription rights. LDF are calculated as percentage of the settlement amount for any pending part of a failed trade. LDF and IoD are not charged to the late original seller, and IoD are not credited to the late delivered Clearing Member of the buyer.

Eurex Clearing AG debits the cash amount required for the buy-in trade to the Clearing Member of the defaulting seller using the cash transaction type 450 BUY-IN CASH AMT PAID. Eurex Clearing AG debits the cash amount required for the cash settlement to the Clearing Member of the defaulting seller using the cash transaction type 454 CASH SETTLEMENT PAID. The corresponding compensation amount is credited to the respective Clearing Member of the buyer(s) of the identified trade(s) using the cash transaction type 452 CASH SETTLEMENT RCV.

The settled cash transactions of these types are displayed accordingly in this report in the fields "TYPE" (field 14) and "DESCRIPTION" (field 15).

The report example displays the paid amounts for a buy-in settled trade as well as a cash amount for cash settlement.

0	1	2	3	4	5	6	7	8	9	10	11	12	
13													
1234567890123456789012345678901234567890123456789012345678901234567890123456789012345678901234567890123456789012													
01	EUREX	SETTLED CASH TRANSACTIONS								PAGE:			
1													
02	RPTCD250									AS OF DATE: 19-			
03	12-06									RUN DATE: 19-			
04													
05	CLEARING MEMBER : ABCFR ABCFR Bank AG (1)												
06	CASH STL ACCOUNT : 12121212 (4)	CASH STL LOCATION : LZB	LZBEUL0XX (3)										CURRENCY :
07	VALUE DATE : 20-12-06 (5)	SETTLEMENT RUN : STD (6)								(2)			
08													
09	SETTLEMENT	SETTL ACT	EXCH	TRAN	TRAN								
10	ACCOUNT	LOC	TYP	MEMBER	DATE	TIME	REF	TYPE	DESCRIPTION	DEBIT	CREDIT		
11	-----												
		(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	
12	10200000	CFE			19-12-06	13:54:46	000014336	450	BUY-IN CASH AMT PAID	130.00	0.00		
13													
14		TOTAL FOR TRANSACTION TYPE:								130.00 0.00			
15	-----												
16													
17	10200000	CFE			19-12-06	13:54:47	000014368	454	CASH SETTLEMENT PAID	80.00	0.00		
18													
19		TOTAL FOR TRANSACTION TYPE: (18)								210.00 0.00			
20	-----												
23		TOTAL FOR EXCHANGE MEMBER: (19)								210.00 0.00			
24	-----												
25		TOTAL FOR TRADING ACCOUNT: (20)								210.00 0.00			
26	-----												
27		TOTAL FOR SETTLEMENT ACCOUNT: (21)								210.00 0.00			
28	-----												
29		TOTAL FOR BANK ACCOUNT: (22)								210.00 0.00			
30	-----												
31		TOTAL FOR BANK ACCOUNT LOCATION: (23)								210.00 0.00			
32	-----												
33		TOTAL FOR CLEARING MEMBER: (24)								210.00 0.00			
34	-----												
35	*** Transactions which are settled by cash transfer only are irrevocable and enforceable by the time this report is distributed												
36	but legally fulfilled by receiving the confirmation of the receipt of payment.												
37	*** Member Credit Payments in GBP are instructed by Barclays Bank plc on behalf of EUREX Clearing AG to the customer account at												
38	respective Payment Bank												
39													
40	*** END OF REPORT ***												

Report Example 4: RPTCD250 Settled Cash Transactions

The general description of the Settled Cash Transactions report (CD250) can be found in the Description Report Layouts and Raw Data.

6.1.5 CB325 Daily Service Fees (XML)

For each performed buy-in auction in equity trades a buy-in fee is charged to the Clearing Member of the failed original seller.

The respective fees are reported in the report "CB325 Daily Service Fees" (see Eurex "XML Report Reference Manual" available at the Eurex website www.eurexclearing.com)

Member Section > Releases > Eurex [latest release] > Manuals > Technical Manuals.

6.2 Raw Data Files (RAW)

6.2.1 RAWCB230 Daily Gross Delivery Management

The field "Transaction" is filled with "BIBL" for "Buy-in Block" and "BIRL" for "Buy-in Release".

Additionally, in the context of the specific buy-in processing for subscription rights, in the field "Transaction" the values "IBL" for "ISIN Block" and "IRL" for "ISIN Release" are displayed.

The general description of the Daily Gross Delivery Management raw data file (CB230) can be found in the Description Report Layouts and Raw Data.

6.2.2 RAWCE260 Pending Delivery

Within the field 70E Transaction Details Narrative the following subfields are filled in case of buy-in processing:

The label /CCPSTAT for the settlement status on level CCP-CM is filled with "IBL" in case of an "ISIN Block".

The label /CMSTAT for the settlement status on level CM-customer is filled with "BIBL" in case of a "Buy-in Block".

The general description of the Pending Delivery raw data file (CE260) can be found in the Description Report Layouts and Raw Data.

6.2.3 RAWCE270 Settled Delivery

Within the field 70E Transaction Details Narrative the following subfields are filled in case of buy-in and cash settlement:

The label /CCPSTAT for the settlement status on level CCP-CM is filled with "EXTE" for an "external settlement" of a subscription right. The label /CMSTAT for the settlement status on level CM-customer is then filled with "SETTLED".

The label /CCPSTAT is filled with "BUYI" for a successful settlement of the buy-in trade. It is filled with "CASH" for a cash settled sell and corresponding buy trade resp. for sold-out buy trades, as well as for subscription rights. The label /CMSTAT is then filled on both cases with "SETTLED" as well.

The general description of the Settled Delivery raw data file (CE270) can be found in the Description Report Layouts and Raw Data.

6.2.4 RAWCD250 Settled Cash Transactions

In the field "Transaction Type" the following codes of transaction are recorded for the respective payments:

"450" – Buy-in cash amount paid

"452" – Cash settlement received

"454" – Cash settlement paid

The general description of the Settled Cash Transactions raw data file (CD250) can be found in the Description Report Layouts and Raw Data.