

X-pand into the Future



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Recipients: All Trading Members of Eurex Deutschland and Eurex Zürich and Vendors
Authorized by: Michael Peters

Trader Development Program for Central and Eastern Europe

Related Eurex Circulares: 150/07

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Content may be most important for:

Ü All departments

Attachments:

Contract and application forms for Trader Development Program

Summary:

The Trader Development Program introduced in July 2007 for Emerging Markets will now be extended to Central and Eastern Europe with adjusted conditions. The extended Trader Development Program shall support Eurex participants who wish to expand their trading activities in Eurex products to emerging markets in Central and Eastern Europe, i.e. Bulgaria, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, Slovakia and Slovenia. With their significant potential, these selected markets offer access to strong local demand for Eurex benchmark products. By means of this program Eurex will support training and further professional development of traders in these countries and, in addition, further enhance market growth.

The program will start on **January 1, 2008**. Applications will be accepted until **December 31, 2008**. Under the program, proprietary trades executed by new users of order-routing systems from above-mentioned Central and Eastern European countries will be exempted from transaction fees pursuant to sections 3.1.1.1 and 3.1.1.3 of the Price List for up to 500,000 traded contracts per location for a period of one year. Eurex Members can apply to participate in the program for up to five locations.



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Trader Development Program for Central and Eastern Europe

The Trader Development Program introduced in July 2007 for Emerging Markets will now be extended to Central and Eastern Europe with adjusted conditions. The extended Trader Development Program shall support Eurex participants who wish to expand their trading activities in Eurex products to emerging markets in Central and Eastern Europe, i.e. Bulgaria, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, Slovakia and Slovenia. With their significant potential, these selected markets offer access to strong local demand for Eurex benchmark products. With this program Eurex will support training and further professional development of traders in these countries and, in addition, further enhance market growth.

Up to 500,000 Contracts free of Transaction Fees

Under the program, proprietary trades executed by new users of order-routing systems from above-mentioned Central and Eastern European countries will be exempted from transaction fees pursuant to sections 3.1.1.1 and 3.1.1.3 of the Price List of Eurex Clearing AG for up to 500,000 traded contracts per location for a period of one year. The program will start on January 1, 2008. Applications will be accepted until December 31, 2008. Eurex members can apply to participate in the program for up to five locations.

Requirements for Participation

To be eligible for participation in the Trader Development Program, Eurex members will need to fulfill among others the following requirements:

- A designated order-routing system connection must be established for each location applying for participation. Only the volumes generated through this designated order routing ID on the order routing user's own behalf and not on behalf of a customer will profit from the waiver of transaction fees.
- Local order routing users must be trained as futures and options traders to become eligible for the initiative. Accordingly, training programs for Eurex products must be established.
- Only order routing users who have not been admitted at Eurex before as exchange traders are entitled to participate in this program.
- Trades executed through fully-automated trading systems (algorithmic trading) will not be eligible for fee exemption.

For complete information regarding the Trader Development Program please see the "Trader Development Program Agreement" with the appropriate application forms attached to this circular. The application forms can also be downloaded from the Eurex website under the path:

www.eurexchange.com > Trading > Trader Admission > Trader Development Program

For further information please contact Jennifer Vuong (tel. +44-207-8 62-72 34, e-mail: jennifer.vuong@eurexchange.com) oder Simona Simon, (tel. +49-69-211-1 82 18, e-mail: simona.simon@eurexchange.com).

Frankfurt, December 19, 2007



Eurex Trader Development Program Agreement

between

[insert Exchange Member Name – Address]
- hereinafter referred to as “**Participant**” -

and

Eurex Frankfurt AG
Neue Börsenstraße 1
60487 Frankfurt am Main
Germany

- hereinafter referred to as “**EFAG**”-

Participant and **EFAG** are hereinafter referred to as well as a “**Party**” each and together as “**Parties**”.

Preamble: Description of Eurex Trader Development Program

Eurex Frankfurt AG's ("EFAG") Trader Development Program ("Program") offers Exchange Participants ("Participants") of Eurex Deutschland or Eurex Zürich ("Eurex") to execute on Eurex proprietary trades on behalf of new users respectively new traders of Order Routing Systems ("New Users") which are located in countries approved by EFAG (Appendix A) without incurring trading and clearing fees regarding on-exchange transactions pursuant to sections 3.1.1.1 and 3.1.1.3 of the Price List ("Fees").

Such fee waiver will apply for a certain amount of traded contracts executed by New Users on Eurex during a defined period of time per location of a Participant (see Attachment A). The Program will begin and will be available for participation as stated in Attachment A.

To be eligible to participate in the Program, Participants must amongst other things establish a separate Order Routing System connection for each location applied for within the Program, which has to be approved by Eurex. Each Participant may apply for limited number of locations (see Attachment A) whereas the number of users per Order Routing System is not limited.

NOW, THEREFORE, the Parties hereto agree as follows:

A. Contractual Basis / Subject Matter

Section 1: Participation in the Eurex Trader Development Program

EFAG admits Participant to participate in the Program. Participant accepts such admission.

Section 2: General Commitments of Eurex Participants

Participant undertakes vis-à-vis EFAG that it will:

- (i) Establish at least one Location in a country approved by EFAG for New Users of an Order Routing System (see Appendix A). Participants may apply to participate in the Program for a limited number of Locations in total as defined in Appendix A by using the attached form "Participant Information" (Appendix B).

A Location within the meaning of this agreement means the premises occupied by New Users of Order Routing Systems in any city within a country approved by EFAG which are in a building in which an Order Routing System has been installed for the purpose of active options and futures trading by New Users. Parent member institutions and their 100 percent owned affiliates may not participate in the Program for the same Location.

- (ii) Provide EFAG in writing the required "Participant Information" using the form in Appendix B, as well as the required Trader Information ("New User"), including name and date of birth of each New User of an Order Routing System, using the standard form "Trader Information" (Appendix C).

Participants may register additional New Users or withdraw registration of New Users of an Order Routing System at any time in writing by using the form in Appendix C.

- (iii) Apply at Eurex for a separate Order Routing System per Location using the application for Authorization of an Order Routing System (Appendix D). Such an Order Routing System, which is approved for the Participant, is solely for usage in the Program for one Location.

Order Routing Systems are electronic order forwarding systems which are used by Participants particularly to enter, modify or delete exchange orders. The entry, change and deletion of quotes on M-position Accounts, the entry, change and deletion of cross requests as well as the entry of off-Exchange options and futures transactions for the purpose of clearing via Order Routing Systems is not permitted. Order Routing Systems may be connected to the Participant Front End System, via a defined interface (VALUES API) so that the orders transmitted via this system can be channeled directly into the trading system of Eurex.

- (iv) Establish and conduct training programs for new users of Order Routing Systems registered in approved Locations and facilitate the education of such users in option and futures trading in general and in particular in trading Eurex products.
- (v) Allow EFAG to review such training programs and provide additional information on request as well as accept changes suggested by EFAG.
- (vi) Allow EFAG to meet with principals, employees and registered New Users of the Participant to review participation in the Program, if requested by EFAG.
- (vii) Provide EFAG on request with information regarding the training of New Users by the Participant as well as the trading activities of registered New Users of Order Routing Systems through the registered ID of the respective Order Routing System for the respective Location.
- (viii) Allow regular audits by EFAG or by eligible independent auditors chosen by EFAG to monitor compliance with the Program and the obligations thereto with respect to the Participant and its registered New Users of Order Routing Systems within the premises of the Participant as well as in the respective Location of such New Users. In addition to regular audits by EFAG, EFAG reserves the right to review compliance if evidence of violation of this Program is suspected. Costs for regular audits will be borne by EFAG. With regard to additional audits, the Participant will bear the costs of the audit in case the audit results provide evidence of a violation of this Program.

Section 3: Commitments regarding Users of Order Routing Systems

Participant undertakes vis-à-vis EFAG:

(i) to register as New Users of Order Routing Systems only persons who have not been admitted at Eurex before as Exchange Traders. Former Eurex Exchange Traders are not entitled to be registered within this Program;

(ii) that New Users of Order Routing Systems will be domiciled in a Location within a country approved by EFAG (Appendix A) and registered by the Participant with EFAG;

(iii) that New Users of Order Routing Systems will trade Eurex contracts for their own account respectively for the own account of the entity which they are engaged with ("Proprietary Trades"), but do not carry out customer business.

Proprietary trades are defined as trades executed on Eurex by New Users of Order Routing Systems, which are solely trading for their own account respectively for the own account of the company they are engaged with and not on behalf of customers ("Proprietary Trades").

(iv) that New Users of Order Routing Systems will continue to receive training support.

Section 4: Requirements to be fulfilled by Trades executed by New Users of Order Routing Systems

Participant must ensure that trades of New Users of an Order Routing System:

(i) are Proprietary Trades as defined in Section 3 (iii);

(ii) will be entered into the location-specific Order Routing System registered for the Participant;

(iii) are not entered into registered Order Routing Systems through fully automated systems.

In addition, the Participant is obligated to supply on request evidence to EFAG that trades executed by New Users of Order Routing Systems fulfill the above-mentioned conditions.

Section 5: Fee Waiver for Participants

(i) Trading and clearing fees refer to fees for matching of on-exchange transactions and recording of derivatives transactions (trade) as defined in the Price List in sections 3.1.1.1 and 3.1.1.3 ("Fees").

- (ii) An approved Participant receives for Proprietary Trades, which are executed through the registered ID of the Order Routing System for the respective Location registered in the Program a waiver of Fees pursuant to paragraph (i) for a certain number of traded contracts for a limited period of time as defined in Appendix A.
- (iii) Participant will initially be charged regarding his Eurex transactions with regular trading and clearing fees on a monthly basis and will receive a monthly refund for paid fees in the following month after having paid such fees. This process will be changed in the near future so that Participants will receive a credit in the same month as the fees, which apply to the Program, are charged.
- (iv) If proven that trades executed by New Users of Order Routing Systems do not fulfill the conditions defined in Section 4, the fee waiver pursuant to Section 5 (ii) does not apply and all fees refunded according to this Agreement (Program) have to be reimbursed in total by Participant to EFAG without delay.
- (v) Irrespective of whether EFAG has suffered any damage, if proven that the Participant has violated the conditions of the Program and is further deemed ineligible for participation in the Program, the Participant shall be obligated, in addition to his obligation to reimburse EFAG pursuant to Section 5 (iv), to pay a contractual penalty of 100 percent of the total trading and clearing fees incurred through trades executed at Eurex through the registered User ID(s) of Order Routing Systems during the term of this agreement.

B. Term and Termination

Section 6: Term, Termination

- (i) This Agreement shall become effective with the registration of the location-specific User-ID for the Order Routing System by Eurex to the Participant and shall remain in effect for a period of time defined in Appendix A, unless a Party provides written notice to the other Party of its desire to terminate the Agreement at least one month prior to the end of a calendar quarter.
- (ii) The right of the Parties to terminate for cause shall remain unaffected.

C. General

Section 7: Security of Data / Data Protection

- (i) Pursuant to the German Federal Data Protection Act, Participants are hereby notified that EFAG will store their full address as well as further information related to the Program in machine-readable form and process this data electronically for tasks arising from this contract.
Furthermore, by undertaking suitable measures (section 9 of the German Federal Data Protection Act) and by committing its staff to secrecy, EFAG shall ensure that confidentiality is observed for the term during which the services of EFAG are used and thereafter.
- (ii) The disclosure of Participants' personal data to unauthorized third parties for any other purposes, in particular for the purpose of consultancy, advertising and market research, is prohibited unless the relevant Participant gives its express permission to do so. The Participant authorizes EFAG to share data it received from the Participant due to the participation to this Program with Eurex and Deutsche Boerse AG.

- (iii) The Parties undertake to comply with all applicable banking secrecy laws and data protection laws. The Participant ensures that only New Users committed to the provisions of such laws referred to in paragraph (i) and paragraph (ii) shall be registered with EFAG for the program.

Section 8: Indemnities

Participant shall indemnify and hold harmless EFAG and its affiliates as well as Eurex from claims by third parties in respect of losses and liabilities etc. owing to third parties arising from Participant's breach of this Agreement or arising from Participant's breach of local law and regulatory provisions applicable in the country of his registered Location for New Users of an Order Routing System due to the Program or from any costs associated with such claims.

Section 9: Compliance with Legislation

Participant shall ensure that his registered New Users of his Order Routing Systems pursuant to the Program shall comply with all applicable laws and regulations relevant to the subject matter of this Agreement, especially relevant in the countries where registered New Users of the Participant are located.

Section 10: Miscellaneous

- (i) No provision of this Agreement creates a partnership between the Parties or makes a Party the agent of the other Party for any purpose. A Party has no authority to bind, to contract in the name of or to create a liability for the other Party in any way or for any purpose except as may be expressly permitted hereunder or authorized in writing by such other Party. Each Party hereto shall be solely responsible for the actions of its respective employees, agents and representatives.
- (ii) The Parties shall not assign any rights or delegate any obligations created by this Agreement without the prior written consent of the other Party; such consent not to be unreasonably withheld.
- (iii) This Agreement, including this clause, may not be amended, altered or modified except by written instrument executed by the Parties.
- (iv) This Agreement and the appendices of this Agreement constitute the entire agreement of the Parties hereto with respect to the subject matter hereof, and supersede all prior agreements and understandings, discussions, negotiations and communications, written and oral, between the Parties with respect to the subject matter hereof.
- (v) This Agreement shall be governed by, interpreted, construed and enforced in accordance with the laws of the Federal Republic of Germany without reference to or inclusion of the principles of choice of law or conflicts of law of that jurisdiction.

(vi) In case any provision in or obligation under this Agreement shall be held invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions or obligations shall not in any way be affected or impaired. Invalid, illegal or unenforceable provisions shall be replaced by valid, legal and enforceable provisions, as agreed by the Parties, so as to effect the original intent of the Parties as close as possible.

(vii) To the extent permitted by law, legal venue for all disputes arising from the contractual relationship shall be Frankfurt am Main, Germany.

IN WITNESS WHEREOF this Trader Development Program Agreement has been executed by the Parties on the date set out below.

[please insert date below]

_____, _____

[please insert Exchange Member/Participant Name]

By: _____
Name:
Title:

By: _____
Name:
Title:

[please insert date below]

_____, _____

Eurex Frankfurt AG:

By: _____
Name:
Title:

By: _____
Name:
Title:

Appendix A

Approved Countries of the Eurex Trader Development Program:

Group A:	
• Europe	
1.	Croatia
2.	Russia
3.	Serbia
4.	Turkey
• Central and South America	
1.	Argentina
2.	Brazil
3.	Chile
4.	Colombia
5.	Mexico
6.	Peru
7.	Venezuela
• Asia and Pacific Ocean	
1.	China
2.	India
3.	Malaysia
4.	Korea
5.	New Zealand
• Africa	
1.	South Africa

Appendix A (Cont.)

Approved Countries of the Eurex Trader Development Program:

Group B:	
• Europe	
1.	Bulgaria
2.	Czech Republic
3.	Estonia
4.	Hungary
5.	Latvia
6.	Lithuania
7.	Poland
8.	Romania
9.	Slovakia
10.	Slovenia

Special Terms and Conditions of the Eurex Trader Development Program regarding the above-defined Groups of Countries:

- **Fee Waiver**

Regarding Participants with locations in countries of **Group A** the fee waiver pursuant to Section 5 “Fee Waiver for Participants” of the Eurex Trader Development Program Agreement will apply for up to two million traded contracts executed by New Users on Eurex during one year per location of a Participant and for a period of two years.

Regarding Participants with locations in countries of **Group B** such fee waiver will apply for up to 500,000 traded contracts executed by New Users on Eurex during one year per location of a Participant and for a period of one year.

If a Participant with locations in countries of **Group A** exceeds two million contracts, executed through a registered Order Routing User-ID, in the first year, a fee waiver for three million traded contracts will be applicable to the respective Order Routing User ID for the second year of term of this agreement.

- **Term of Eurex Trader Development Program Agreement**

The Eurex Trader Development Program Agreement shall remain in effect in accordance with Section 6 “Term, Termination” of this agreement regarding Participants with locations in countries of **Group A** for two years after it becomes effective. The Program regarding **Group A** countries began on August 1, 2007. Applications to participate in the program regarding **Group A** countries will be accepted until July 31, 2009.

Regarding Participants with locations in countries of **Group B** the Eurex Trader Development Program Agreement shall remain in effect in accordance with Section 6 “Term, Termination” of this agreement for one year after it becomes effective. The Program regarding **Group B** countries will begin on January 1, 2008. Applications to participate in the program regarding **Group B** countries will be accepted until December 31, 2008.

- **Number of Locations in Group A and Group B Countries**

Each Participant may apply for up to 5 locations in countries of each **Group A and Group B** whereas the number of users per Order Routing System is not limited.

Appendix B

PARTICIPANT INFORMATION

Participation in Program

- 1 Group A Countries (Appendix A)**
- 1 Group B Countries (Appendix A)**

FIRM NAME

EUREX MEMBER ID

ADDRESS

ZIP CODE

CITY

COUNTRY

PHONE

FAX

E-MAIL

PROGRAM LOCATION

FIRM NAME

ADDRESS

ZIP CODE

CITY

COUNTRY

PHONE

FAX

CONNECTION TYPE TO EUREX

PROGRAM CONTACT PERSON

FIRST NAME

LAST NAME

PHONE

FAX

E-MAIL

ADDRESS

TRAINING CONTACT PERSON (If contact details differ from above)

FIRST NAME

LAST NAME

PHONE

FAX

E-MAIL

ADDRESS

NUMBER OF TRAINING PROGRAMS YOU ARE OFFERING

NUMBER OF TRADERS PARTICIPATING IN TRAININGS YEARLY

DERIVATIVES TRADED ON EUREX

PLACE/DATE

SIGNATURE/STAMP

PRINT NAME

Appendix C

TRADER INFORMATION („NEW USER“)

EUREX MEMBER ID

ORDER ROUTING ID

ADMIT TO THE PROGRAM

TERMINATE FROM THE PROGRAM

Attestation and Authorization: I acknowledge and agree to abide by the requirements of the Trader Development Program of Eurex Frankfurt AG. I also agree to comply with all of the Rules and Regulations of Eurex Deutschland and Eurex Zürich. I further represent that I will trade Eurex contracts for my own account respectively for the own account of the entity with which I am engaged with (“Proprietary Trades”), but will not carry out customer business.

First Name	Last Name	Date of Birth	TDP Location (Country, City)	Phone	E-MAIL	Signature



Appendix D

Application for Authorization of an Order Routing System

Eurex Frankfurt AG

Eurex Sales

Neue Börsenstraße 1

60487 Frankfurt am Main

Germany

Fax: +49-69-211-1 39 41

Applicant

Name of applying company

Address

Name of contact

Phone

Fax

Member ID

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Application for authorization to connect an automatic order routing system to the trading system used by the Eurex Exchanges pursuant to Section 2.5 of the Implementation Regulations of Eurex Deutschland and Eurex Zürich Concerning Technical Equipment (Implementation Regulations) and the Trader Development Program of Eurex Frankfurt AG.

I. Herewith we apply for

- the authorization to connect one automatic order routing system to the Eurex® trading system via the offered interface pursuant to Section 2.5 of the Implementation Regulations in conjunction with the Trader Development Program of Eurex Frankfurt AG. The users of each order routing system will be located in a country approved by Eurex Frankfurt AG as specified in the Trader Development Program.

.....
(please insert address of location)

Provided that the applying company is admitted as exchange participant at Eurex Zürich, this application will apply to Eurex Zürich as well.



II. The responsible person in the sense of Subsection 2.5.1, second bullet point of the Implementation Regulations is the following admitted exchange trader:

Order Routing System connected to			<i>[enter Location / city]):</i>		
User code			Name of trader		
T	L	P *			
T	C	P **			
			Telephone number		

Any changes of the responsible trader and/or changes of the user code must be reported to the Exchanges immediately!

III. We guarantee that at all times we will comply with the conditions and instructions set out in Section 2.5 of the Implementation Regulations as well as with the conditions of the Trader Development Program of Eurex Frankfurt AG as regards connecting and operating an order routing system which will be connected to a location and to order routing users located in a country approved by Eurex Frankfurt AG.

In particular, we are aware that forwarding of trading data and information from the EDP system of the Eurex Exchanges via an order routing system by an Exchange Participant to third parties requires the respective consent of the Boards of Management of the Eurex Exchanges according to Section 4.9 of the Exchange Rules for Eurex Deutschland and Eurex Zürich.

Place and date

Company stamp of *Exchange Member* and signature
(Name in capitals)

* TLP - for Users from Group A

Europe: Croatia, Russia, Serbia, Turkey
 Central and South America: Argentina, Brazil, Chile, Colombia, Mexico, Peru, Venezuela
 Asia and Pacific Ocean: China, India, Malaysia, Korea, New Zealand
 Africa: South Africa

**TCP - for Users from Group B

Europe: Bulgaria, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, Slovakia, Slovenia



Appendix D

Application for Authorization of an Order Routing System in the U.S.A.

Eurex Frankfurt AG

Eurex Sales

Neue Börsenstraße 1

60487 Frankfurt am Main

Germany

Fax: +49-69-211-1 39 41

Applicant

Name of applying company

Address

Name of contact

Phone

Fax

Member ID

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Application for authorization to connect an automatic order routing system to the trading system used by the Eurex Exchanges pursuant to Section 2.5 of the Implementation Regulations of Eurex Deutschland and Eurex Zürich Concerning Technical Equipment (Implementation Regulations) and the Trader Development Program of Eurex Frankfurt AG.

I. Herewith we apply for

- the authorization to connect one automatic order routing system to the Eurex® trading system via the offered interface pursuant to Section 2.5 of the Implementation Regulations in conjunction with the Trader Development Program of Eurex Frankfurt AG. The users of each order routing system will be located in a country approved by Eurex Frankfurt AG as specified in the Trader Development Program.

.....
(please insert address of location)

Provided that the applying company is admitted as exchange participant at Eurex Zürich, this application will apply to Eurex Zürich as well.



II. The responsible person in the sense of Subsection 2.5.1, second bullet point of the Implementation Regulations is the following admitted exchange trader:

Order Routing System connected to										<i>[enter Location / city]):</i>									
User code					Name of trader										Telephone number				
U	L	P	*																
U	C	P	**																

Any changes of the responsible trader and/or changes of the user code must be reported to the Exchanges immediately!

III. We guarantee that at all times we will comply with the conditions and instructions set out in Section 2.5 of the Implementation Regulations as well as with the conditions of the Trader Development Program of Eurex Frankfurt AG as regards connecting and operating an order routing system which will be connected to a location and to order routing users located in a country approved by Eurex Frankfurt AG.

In particular, we are aware that forwarding of trading data and information from the EDP system of the Eurex Exchanges via an order routing system by an Exchange Participant to third parties requires the respective consent of the Boards of Management of the Eurex Exchanges according to Section 4.9 of the Exchange Rules for Eurex Deutschland and Eurex Zürich.

Place and date

Company stamp of *Exchange Member* and signature
(*Name in capitals*)

* ULP - for Users from Group A

Europe: Croatia, Russia, Serbia, Turkey
 Central and South America: Argentina, Brazil, Chile, Colombia, Mexico, Peru, Venezuela
 Asia and Pacific Ocean: China, India, Malaysia, Korea, New Zealand
 Africa: South Africa

**UCP - for Users from Group B

Europe: Bulgaria, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, Slovakia, Slovenia