

European Repo Council

Annual General Meeting

Frankfurt/M

February 28, 2007



Opening of the meeting
ERC Chairman Godfried De Vidts

Slovenia joined Euro zone



European repo council acceptable general collateral (GC) list

With effect from January 1, 2007 government guaranteed bonds and bills issued in Slovenia are also deemed by ICMA's European Repo Council to be acceptable as collateral on general collateral (GC) repo and buy/sell transactions, ***unless specifically indicated otherwise*** prior to engaging in transactions.

Country of issuance	Currency	Details	
Euro GC			
Austria	EUR	Government guaranteed bonds and bills	
Belgium	EUR	Government guaranteed bonds and bills	
Finland	EUR	Government guaranteed bonds and bills	
France	EUR	OATs BTANs BTFs Strips	<i>Bloomberg ticker</i> FRTR (fixed coupon securities only) BTNS (fixed coupon securities only) BTF FRTRR, FRTRS
Germany	EUR	Unity Bund Bobl Treuhand Schatz Bubill	<i>Bloomberg ticker</i> DBRUF DBR OBL THA BKO BUBILL
Greece	EUR	Government guaranteed bonds and bills	
Ireland	EUR	Government guaranteed bonds and bills	
Italy	EUR	CCT BTP BOT CTZ	<i>Bloomberg ticker</i> CCT BTPS BOTS ICTZ
Luxembourg	EUR	Government guaranteed bonds and bills	
Netherlands	EUR	Government guaranteed bonds and bills	
Portugal	EUR	Government guaranteed bonds and bills	
Slovenia	EUR	Government guaranteed bonds and bills (with effect from January 1, 2007)	
Spain	EUR	Government guaranteed bonds and bills Note: the seller must specify if the securities go over record date 30 days prior to the trades being consummated	

Country of issuance	Currency	Details
Sterling GC		
UK	GBP	UK Treasury stock UK Conversion stock
Danish GC		
Kingdom of Denmark	DKK	Government guaranteed bonds and bills (Danish mortgages are excluded)
Swedish GC		
Kingdom of Sweden	SEK	Government guaranteed bonds and bills (Swedish mortgages are excluded)
Norwegian GC		
Kingdom of Norway	NOK	Government guaranteed bonds and bills
Swiss GC		
Switzerland	CHF	Government guaranteed bonds and bills

GMRA – Overview of legal opinions

February 28, 2007

Christian Hellmund
Associate Counsel, ICMA, Zurich



Legal opinions update



Available opinions

- Legal opinions on the GMRA currently available for 53 jurisdictions
- Annual legal opinions update exercise 2007 – to be completed shortly

New opinions

- Slovakia, Slovenia, Croatia: opinions expected shortly
- Israel: opinion ordered

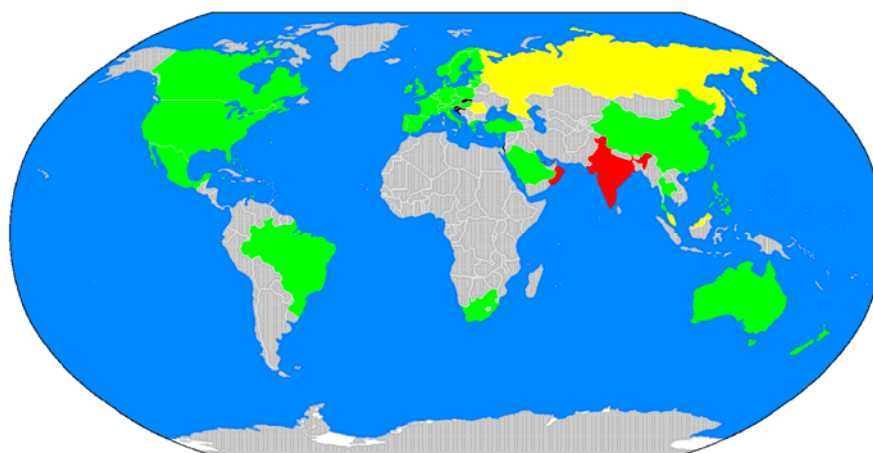
Request from ERC committee to establish whether clean legal opinions can be obtained

- Dubai, Oman, Qatar, India

Legal developments monitored

- Russia, Romania, Malaysia

GMRA legal opinions - worldwide



- Available opinions
- Opinions ordered
- Request from ERC committee to establish whether clean legal opinions can be obtained
- Monitoring of legal developments

EU - jurisdictions



Jurisdiction	Status
Austria	opinion available
Belgium	opinion available
Denmark	opinion available
England	opinion available
Finland	opinion available
France	opinion available
Germany	opinion available
Greece	opinion available
Ireland	opinion available
Italy	opinion available
Luxembourg	opinion available
Netherlands	opinion available
Portugal	opinion available
Scotland	opinion available
Spain	opinion available
Sweden	opinion available

Other European jurisdictions

Jurisdiction	Status
Guernsey	opinion available
Jersey	opinion available
Norway	opinion available
Switzerland	opinion available
Russia	legal developments monitored

“New” EU member states and candidate countries

Jurisdiction	Status
Bulgaria	-
Croatia	opinion ordered
Cyprus	opinion available
Czech Republic	opinion available
Estonia	opinion available
Hungary	opinion available
Latvia	opinion available
Lithuania	opinion available
Malta	opinion available
Poland	opinion available
Romania	legal developments monitored
Slovakia	opinion ordered
Slovenia	opinion ordered
Turkey	opinion available

Americas



Jurisdiction	Status
Canada	opinion available
USA	opinion available
Bahamas	opinion available
Bermuda	opinion available
British Virgin Islands	opinion available
Cayman Islands	opinion available
Netherlands Antilles	opinion available
Brazil	opinion available
Mexico	opinion available

Middle East



Jurisdiction	Status
Abu Dhabi	opinion available
Bahrain	opinion available
Kuwait	opinion available
Saudi Arabia	opinion available
Israel	opinion ordered
Dubai	opinion proposed
Oman	opinion proposed
Qatar	opinion proposed

Africa, Asia, Pacific

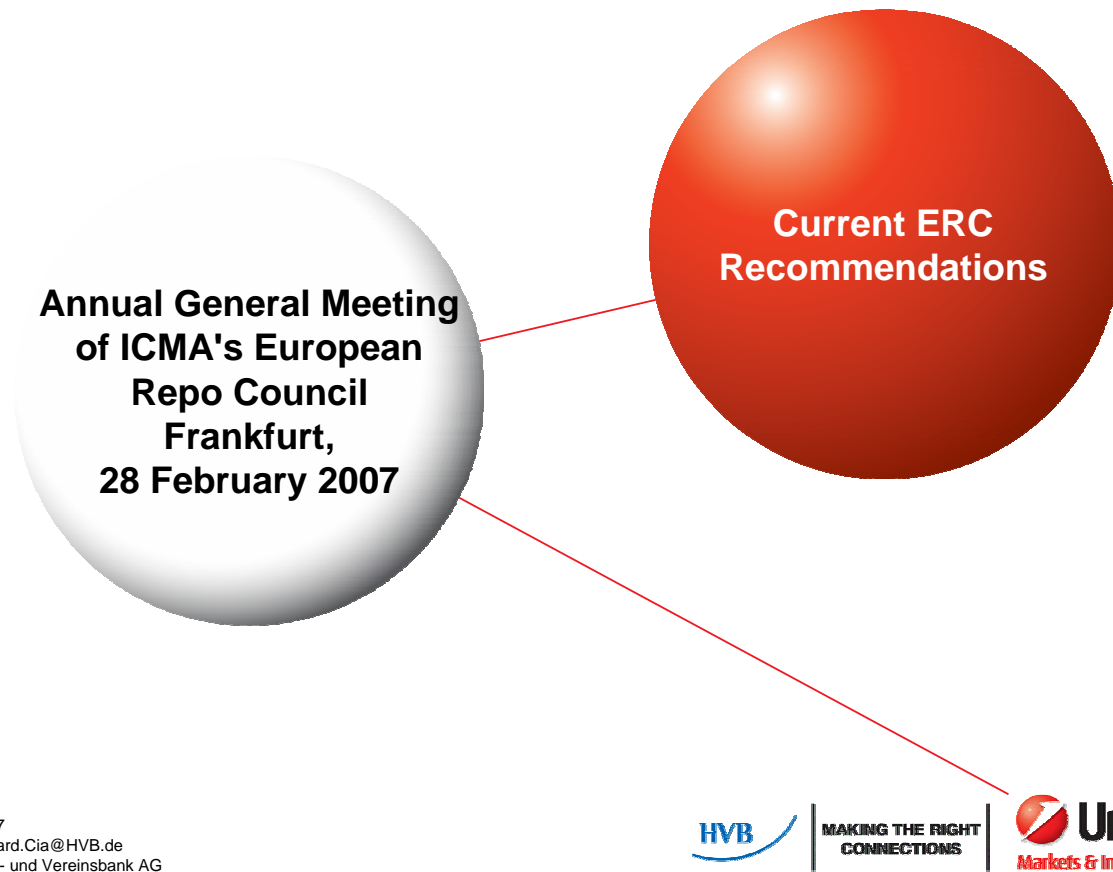


Jurisdiction	Status
South Africa	opinion available
China	opinion available
Hong Kong	opinion available
Japan	opinion available
Malaysia	legal developments monitored
Philippines	opinion available
Singapore	opinion available
South Korea	opinion available
Taiwan	opinion available
Thailand	opinion available
Australia	opinion available
New Zealand	opinion available
India	opinion proposed

ICMA Competition Law Guidelines



- ICMA website/ Legal section
- https://www.icmagroup.org/content/legal/1/icma_competition_law.html



Current ERC Recommendations

- Interoperability
- Rehypothection
- Euro General Collateral Basket Design
- European projects
 - CB TARGET2 – Securities Project
 - Code of Conduct for Market Infrastructure
- Work on the harmonisation of GMRA mini close-out provisions and ICMA buy-in rules
- Confirmation of market practice for
 - EONIA-based repos
 - Floating-rate repos

Interoperability between ICSDs and CSDs

- The ERC has been involved for many years in discussions regarding the fragmented settlement infrastructure in Europe.
- We try to convince the responsible ICSDs and CSDs to move forward and improve interoperability in Europe.
- The ERC wants to have better interoperability for bilateral repo trades but also for tri-party repos. At some stage it should be possible to trade tri-party repos between the two ICSDs.
- The so-called 'bridge' (the link between Euroclear and Clearstream Luxembourg) will be improved.

Rehypothecation – Re-Use of Collateral within Tri-party Repo and Tri-party Repo Style Transactions

- The possibility to re-use the collateral within tri-party repos reduces the liquidity risk and therefore would make tri-party repos even more important for the money market.
- The ERC is pushing forward (especially with the tri-party agents and the central counterparties) to make rehypothecation possible ...
... not only within one ICSD or one central counterparty but also across ICSDs and maybe across central counterparties.
- All parties involved could gain from more volume.

Euro General Collateral Basket Design

- The ERC took the decision that
 - all **Government** bond debt
 - from within the **Euro in-zone**should be part of the EuroGC basket.
- The ERC recommended the following baskets without any haircuts:
 - AAA government debt of Euro in-zone
 - AA government debt of Euro in-zone or better
 - A government debt of Euro in-zone or better.
- As per January 1, 2007, **Slovenian** government debt was included.

European initiatives

- TARGET2Securities
 - ERC is involved in discussion process between users and the ECB
 - Presentation to ECB on closed-circle settlement issues
- Code of Conduct for Market Infrastructure Providers
 - The ERC welcomes the decision by the Commission to give industry-led efforts a chance.
 - The ERC is aware that the Code currently applies only to equities. It will be involved in discussions about the extension to non-equities (bonds).

Harmonisation of GMRA mini close-out provisions and ICMA buy-in rules

- The ERC has identified that in some circumstances the interaction between the **mini close-out provisions** contained in paragraphs 10(g) and (h) of the GMRA 2000, which apply to repo transactions, and the **buy-in provisions** contained in Section 450 of ICMA's rules and recommendations, which apply to cash transactions, results in **discrepancies** in timing and valuation which can result in differences in the amount recoverable under each provision.
- A proposal to harmonise these provisions is in the final stages of preparation and will, after approval by the ERC Committee, the International Repo Committee and the ICMA Executive Committee be consolidated into the ICMA Rules and Regulations.
- The ERC Council will be kept informed.

Preferred and recommended best practice for the determination of rates for EONIA-based repos

- For EONIA-based repo transactions settling at Euroclear Bank and/or Clearstream Luxembourg (the 'ICSDs') as well as some CSD cleared bonds, historical market practice has evolved into utilising the "settlement date minus 2" EONIA issued rate as the last reference rate.
- The requirement to incorporate the SD-1 issued EONIA rate into the closing leg of repos settling via ICSDs and CSDs where appropriate could be achieved via two potential routes dependent on individual firm's ability and approach to settlement messaging to the ICSD and CSD.

Preferred and recommended best practice for the determination of rates for EONIA-based repos

● Option 1:

Following EONIA rate issuance on SD-1 (at approx. 7.00 CET), all firms should endeavour to re-calculate settlement proceeds and look to send settlement instructions to the ICSD for pre-matching prior to the relevant cut-off deadline in order to achieve settlement in the overnight settlement batch of each depository. Utilising the overnight settlement batch will maintain consistency with the current process, which is arguably more important for corporate repo which can leverage lending and borrowing pools that in turn often negate the need for shape trading etc.

● This is the **preferred and recommended best practice**.

● For details see

www.icmagroup.org/content/international1/repo_documentation.html

Calculation of interest in floating rate repos based on EONIA

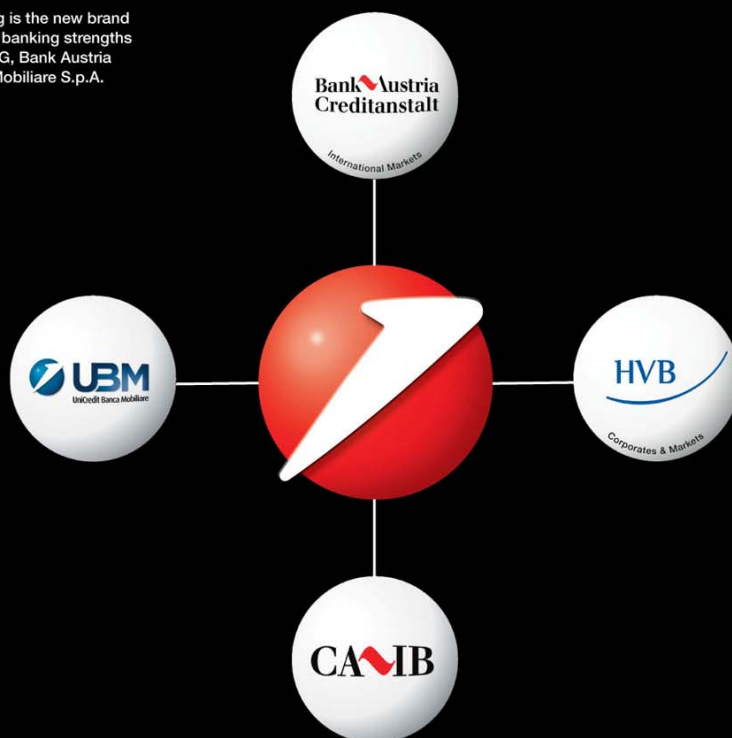
● In floating rate repo based on EONIA, it is market practice for the calculation of the interest to be effected by using the **simple average** (not compound) of the daily EONIA benchmark. To avoid any uncertainty, the calculation method should be agreed between the parties or at least be mentioned in the confirmation.

● For details see

www.icmagroup.org/content/international1/repo_documentation.html

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Euroclear France

Update on developments in the French Settlement System

General Meeting of the ICMA's
European Repo Council (ERC)
28 February 2007



1

Outline

- Settlement in RGV
- Repo transactions in France
- Statistics
- Future evolutions



2

- DVP Model 1,
- Real Time irrevocable system with immediate finality,
- Settlement processing window from VD-1 20:00 until VD 17:00 CET,
- Payment in Central Bank Money based on the Integrated Cash Model,
- Primary and secondary market operations,
- Monetary Policy Operations.

- **A Highly Efficient Settlement Service based on :**
 - Autocollateralisation (repo) with Banque de France fully integrated in the settlement process,
 - Automatic and immediate substitution of securities with Banque de France,
 - Intra-day reimbursement of repos with Banque de France,
 - Settlement Optimization process throughout the day (back to back or circles),
 - Optional pre matching of settlement details,
 - Partialling of pending settlement instructions as of 16:30 CET,
 - Market Discipline.

Repo transactions in France



■ Pension Livrée – bilateral repo instruction in France :

- Input of a single settlement instruction,
- Automatically generates the matched return leg,
- Automatic coupon compensation,
- Fixed or floating rate repos,
- Open, close ended or callable repos,
- ESCB eligible collateral,
- No substitution, no market price adjustments,
- Governed by French Master Agreement AFTB/AFB,
- Unilateral cancel of term leg possible (case of « default »),
- Bilateral cancel of term leg possible (very rare).

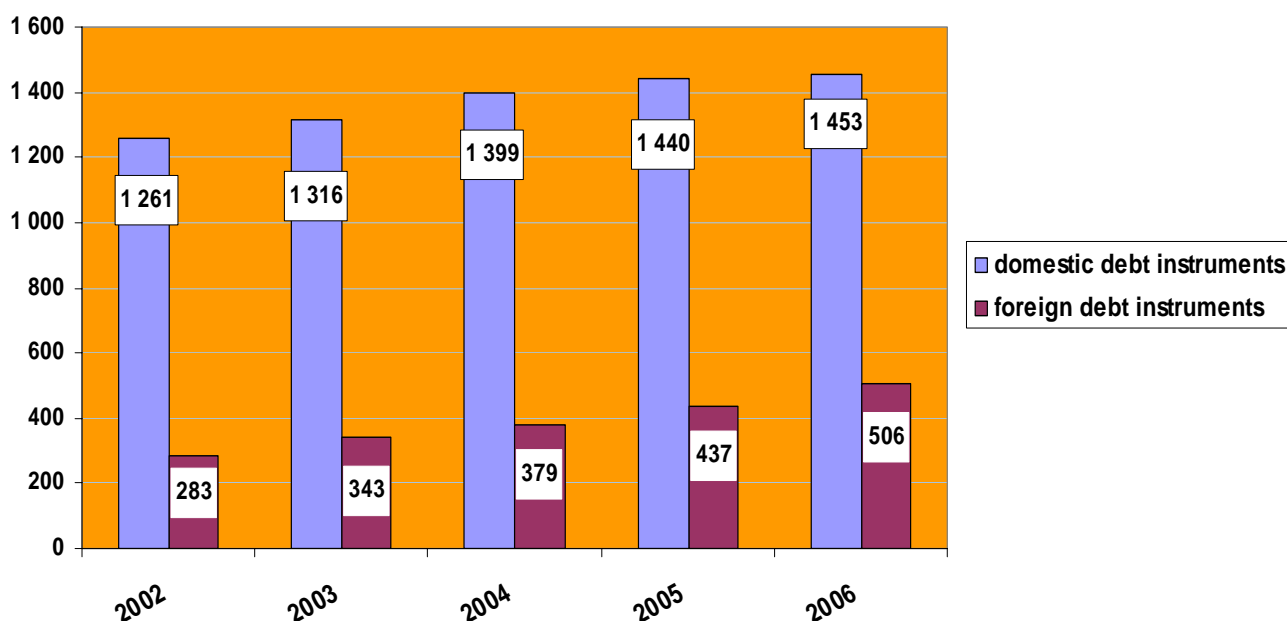
■ Repos centrally cleared :

- Execution of repo transactions on MTS and BrokerTec,
- Cleared by LCH.Clearnet SA,
- Shaping at €50MM.

Statistics

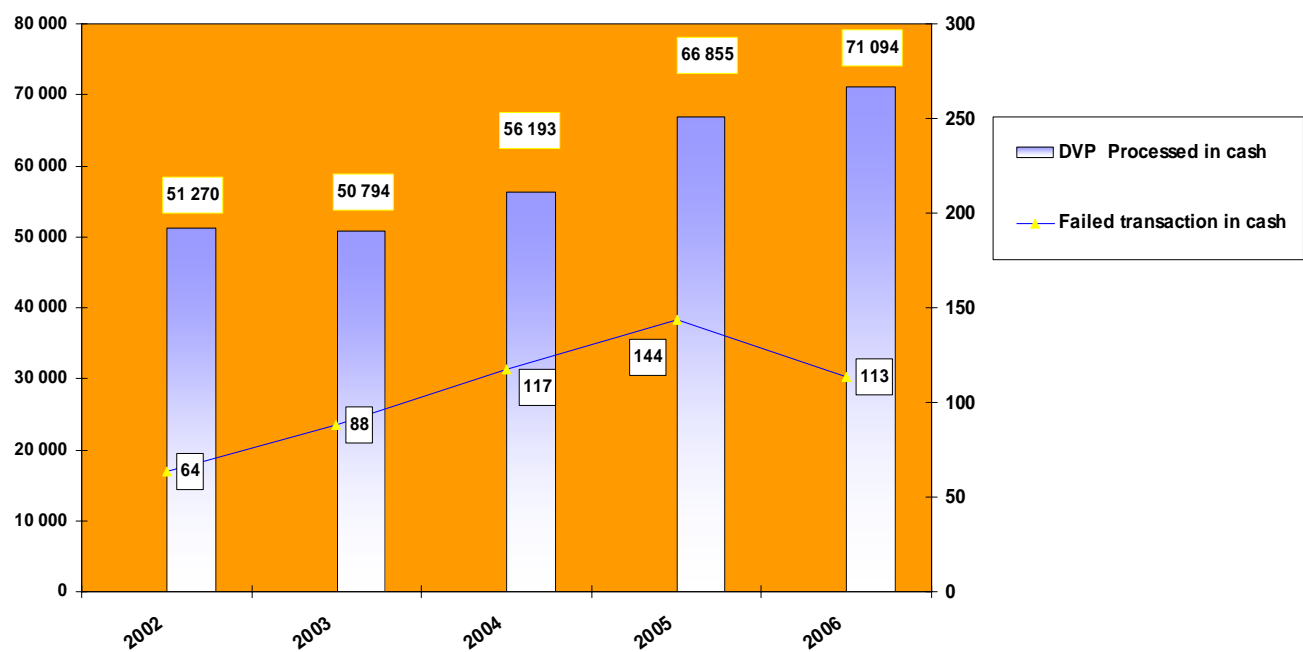


depot of French and foreign debt instruments in Euroclear France
in Billions of Euros

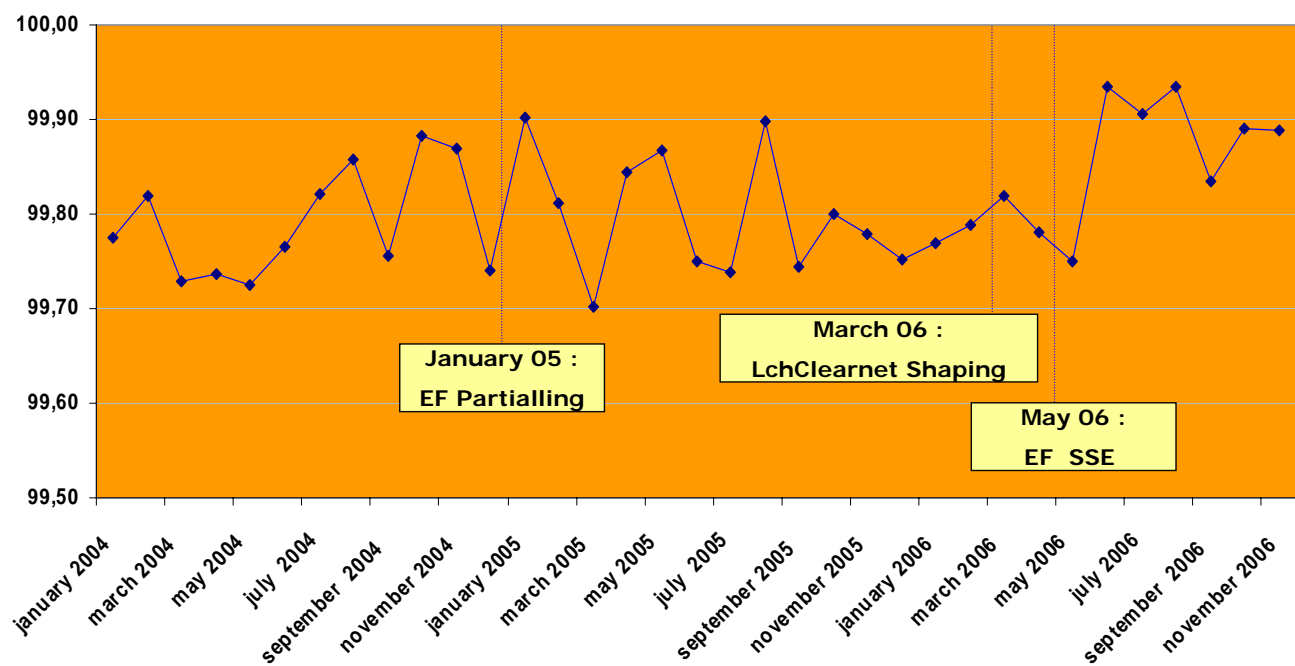




DVP and failed RGV transactions in Billions of euros



RGV Settlement Efficiency



■ ESES :

- Phase out Equity Settlement System Relit+ and migration of the activity to RGV (Nov07),
- Migration of ENL and EBe settlement process to RGV (May 08),
- Earlier closing of RGV Settlement window at 16 : 00 CET.

■ Target 2 and Pooling of collateral in Banque de France (3G Project).

■ GC collateral in France :

- Launch in 2008 of a French bilateral repo GC service,
- Baskets of French and foreign debt securities (ESCB eligible).

■ SP Settlement :

- Co-existence of bilateral repo, stock loan and pension livrée,
- Market discipline harmonization.



euroclear



Accepting credit claims for Eurosysteem credit operations

Main issues and first experience

Michel Stubbe

Market Operations Analysis Division

General Meeting of the ICMA's European Repo Council
Frankfurt am Main, 28 February 2007

Credit claims: a distinct asset class

**For Eurosysteem credit operations, no distinction
between credit claims and marketable assets.**

But, different features from marketable assets:

- no standardised or uniform documentation
- generally not rated, rarely available registers, depositories
- limited secondary market (lack of external prices)

**Therefore, in order to make credit claims
equivalent in terms of risk for the Eurosysteem:**

- specific eligibility criteria
- specific credit assessment framework and risk control measures
- additional legal requirements, specific handling solutions

Credit claims: Eligibility criteria

Eligible debtors	Non-financial corporations + public sector located in euro area
Minimum size	EUR 500,000 after 2012 Before 2012, different transitional regimes
Creditworthiness of the debtor	Benchmark: “Single A”
Currency	Euro
Governing law of loan agreement	Law of a euro area Member State

Credit claims: Credit assessment

European credit assessment framework (ECAF)

- **Credit quality:** at least “single A” - equivalent to PD < 0,10%
- **Four credit assessment sources**
 - **External credit assessment institutions (ECAI):**
S&Ps, Moody's, Fitch
 - **NCB's internal credit assessment systems (ICAS):**
AT, DE, ES, FR
 - **Internal ratings-based system (IRB):** once validated
 - **Third party providers' rating tools (RT):** currently none
- **Implicit credit assessment for unrated public sector entities**

Credit claims: Additional legal requirements

Objectives:

- Creation of a valid security interest
- Swift realisation in the event of a counterparty default

Legal requirements:

- Verification of existence of credit claim
- Timing of debtor notification or registration
- No restrictions relating to banking secrecy regarding the debtor information
- No restrictions regarding mobilisation and realisation

Credit claims: Haircuts and handling

Specific risk control measure:

- Valuation haircuts

Specific handling solutions:

- Decentralised approach and further harmonisation by 2012
- “Cross-border” use: new CCBM variant

Credit claims: First experience (1)

State of play after first two months experience:

- In five Euro area countries (AT, DE, ES, FR, NL), credit claims were already eligible before 2007, as tier two assets
- By now, credit claims already used in two additional Member States (BE and IT). And plans by counterparties in several other Member States
- Slight increase of counterparties using credit claims, further increase is expected - especially driven by IRBs in 2008

Credit claims: First experience (2)

State of play at end-January 2007:

- in total, 53 Eurosystem counterparties were submitting credit claims as collateral at end January 2007, and out of them, 9 were “new”
- the total volume of credit claims deposited with the Eurosystem exceeds EUR 50 bio. This amount might increase significantly, as at least 35 further counterparties have expressed interest for the subsequent months
- so far counterparties plan to use credit claims mainly in a domestic context

Thank you for your attention.

Questions welcome.

Annex I: Single Framework - chronology

Gradual implementation

- June 2003: Launch of public consultation
- May 2004: GovC approved introduction of a Single Framework (“Single List”) and phasing out of two-tier structure in 2007
- May 2005: First step: focus on marketable assets
- January 2007: Finalisation of Single Framework, and introduction of credit claims, phasing out of tier-two structure
- Until end-2011: “Intermediate” regime for credit claims
- From 1 January 2012: “Unified” regime for credit claims

Annex 2: References

- **ECB Publications:**
 - The implementation of monetary policy in the euro area: **General Documentation on Eurosystem monetary policy instruments and procedures, September 2006**
 - The single list in the collateral framework of the Eurosystem. **ECB Monthly Bulletin article, May 2006**
- **ECB website:** <http://www.ecb.int>: **Monetary policy tab**

European Repo Council

Annex 6

12th European repo market survey
December 2006

ERC General Meeting

Frankfurt, 28 February 2007



European Repo Council 12th European repo market survey




Survey overview

- Outstanding value of contracts at close on 13th December 2006
- 73 responses from 66 groups
- Respondents headquartered in 15 European countries, US, Japan



European Repo Council 12th European repo market survey


Headline numbers



■ December 2006	EUR 6,430 billion
■ June 2006	EUR 6,019 billion
■ December 2005	EUR 5,883 billion
■ June 2005	EUR 5,319 billion
■ December 2004	EUR 5,000 billion
■ June 2004	EUR 4,561 billion
■ December 2003	EUR 3,788 billion
■ June 2003	EUR 4,050 billion
■ December 2002	EUR 3,377 billion
■ June 2002	EUR 3,305 billion
■ December 2001	EUR 2,298 billion
■ June 2001	EUR 1,863 billion

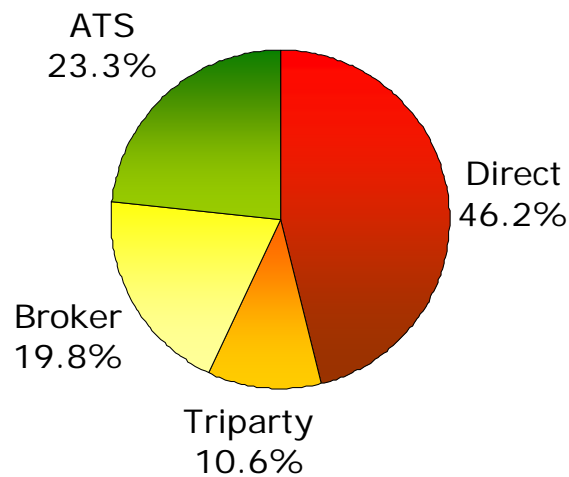
European Repo Council 12th European repo market survey

Organic growth

- 
- 65 respondents in last 3 surveys
 - year-on-year = 13.9%
 - H1 = 2.8%
 - H2 = 10.8%

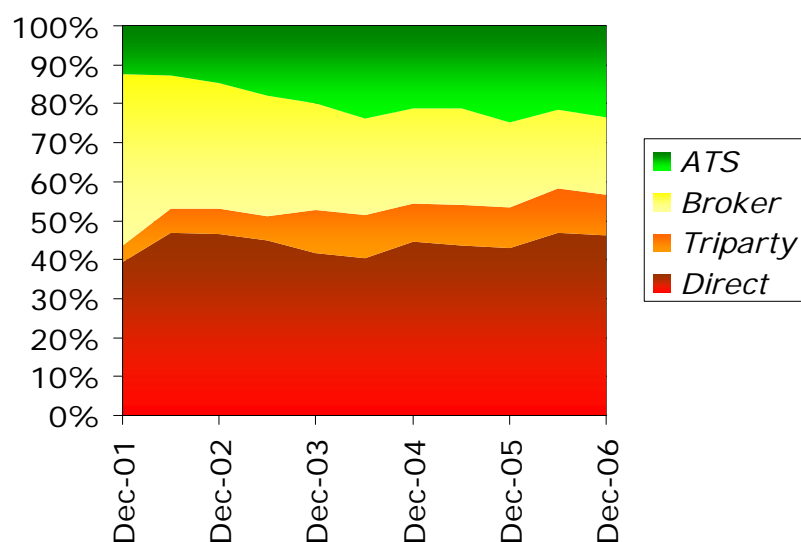
European Repo Council 12th European repo market survey

Counterparty analysis



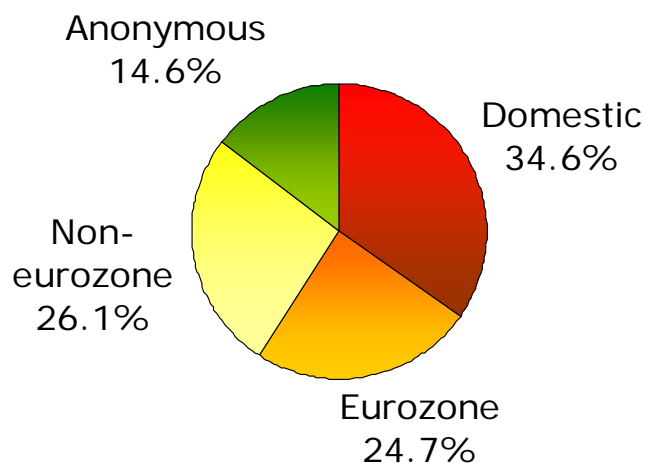
European Repo Council 12th European repo market survey

Counterparty analysis



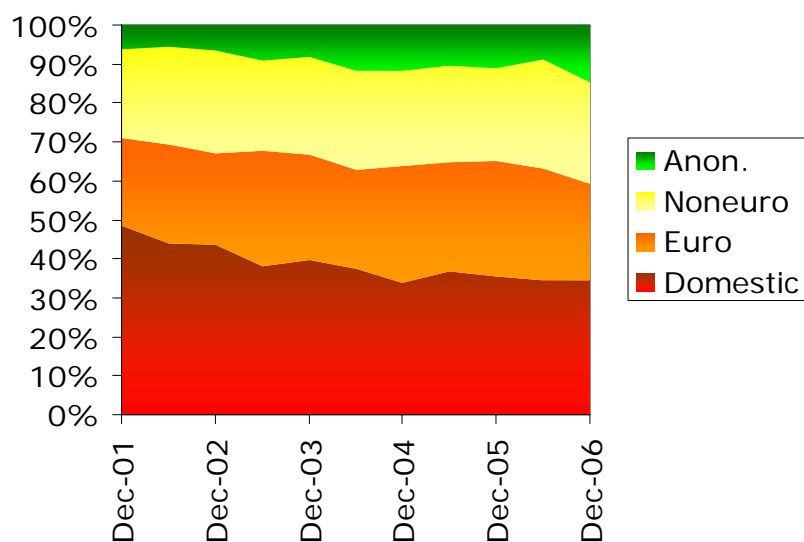
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Geographical analysis



European Repo Council 12th European repo market survey

Geographical analysis

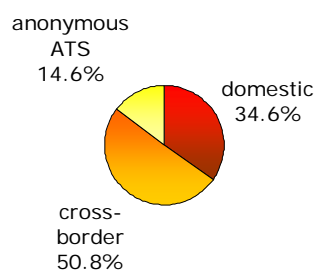


European Repo Council 12th European repo market survey

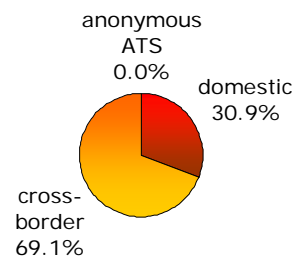


Geographical analysis

Main survey



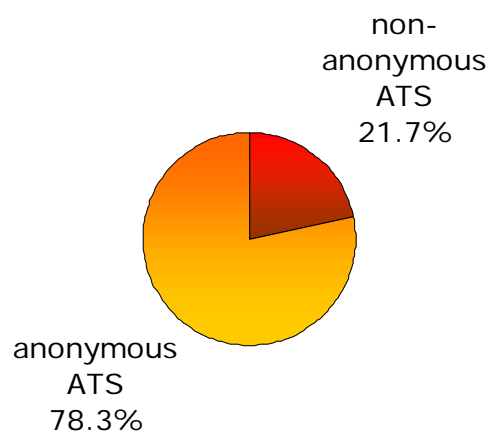
Triparty



European Repo Council 12th European repo market survey



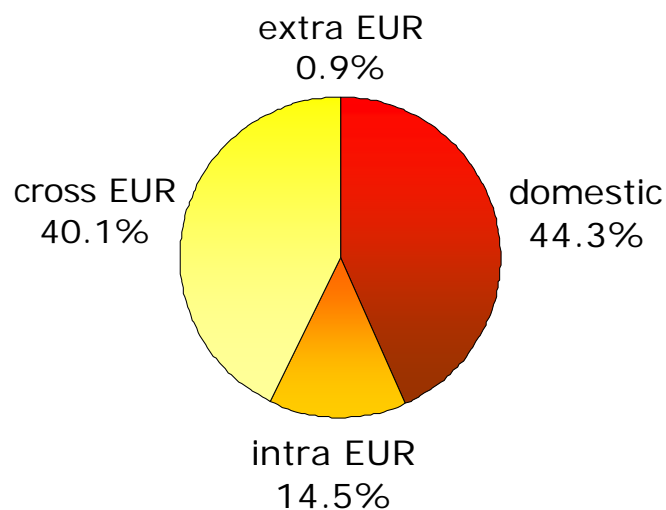
ATS geographical analysis (1)



European Repo Council 12th European repo market survey



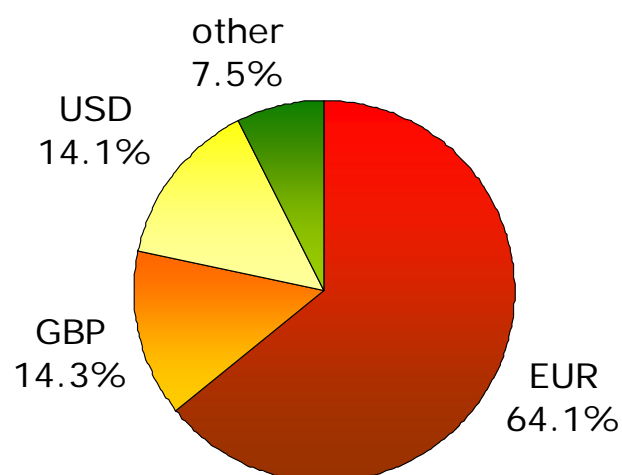
ATS geographical analysis (2)



European Repo Council 12th European repo market survey



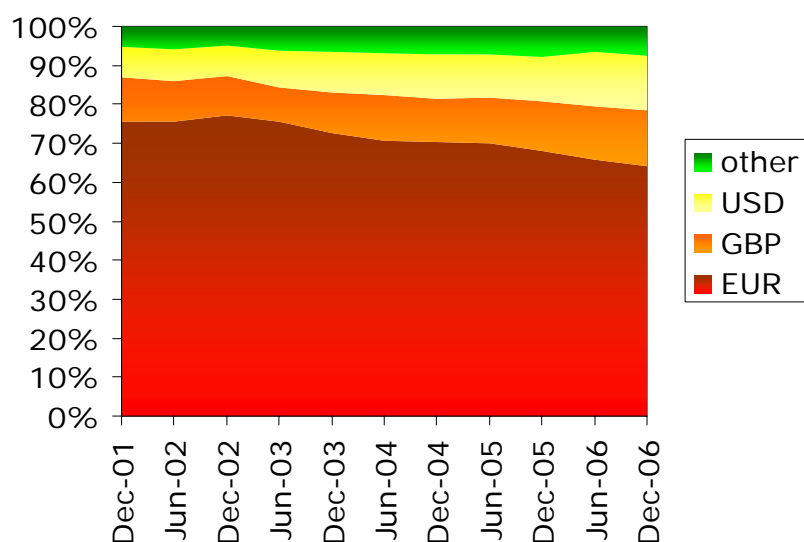
Currency analysis



European Repo Council 12th European repo market survey



Currency analysis

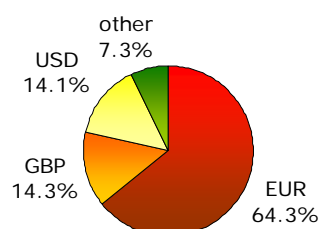


European Repo Council 12th European repo market survey

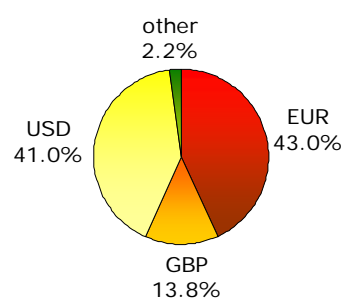


Currency analysis

Main survey



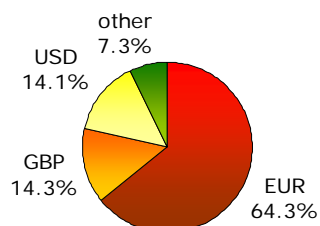
Triparty



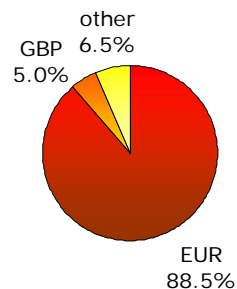
European Repo Council 12th European repo market survey

Currency analysis

Main survey

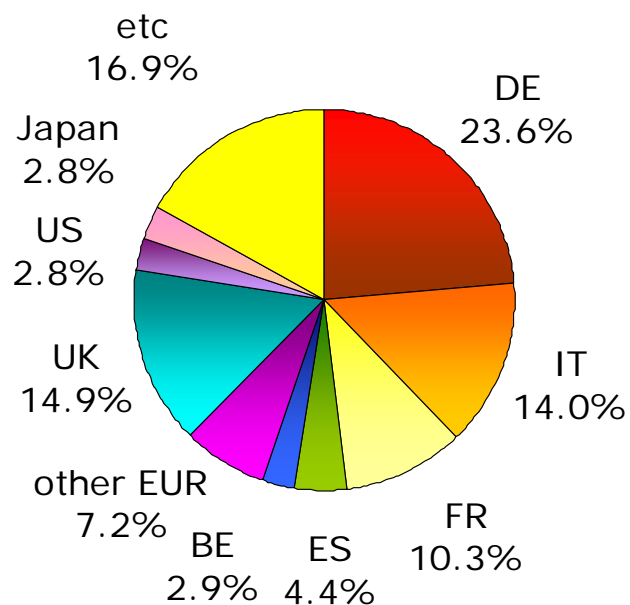


ATS



European Repo Council 12th European repo market survey

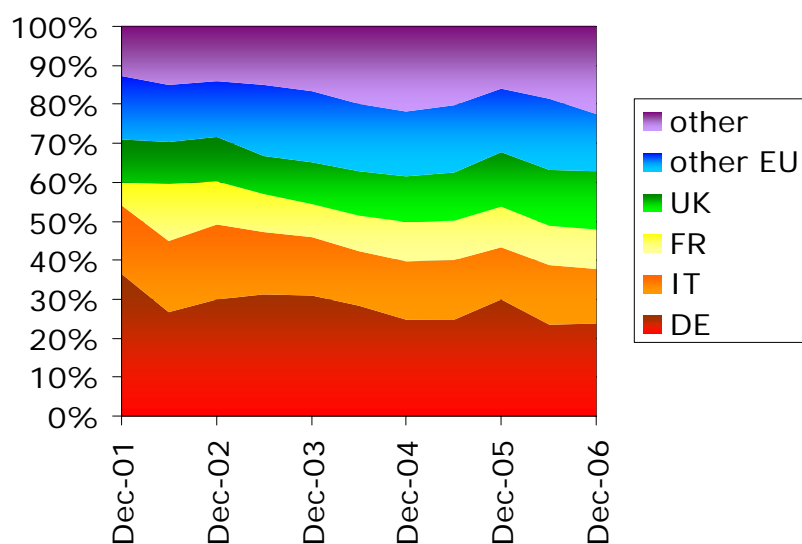
Collateral analysis



European Repo Council 12th European repo market survey



Collateral analysis

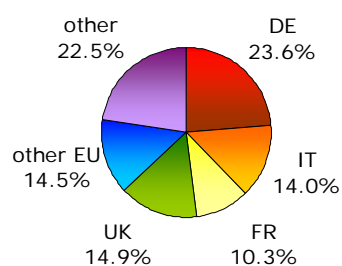


European Repo Council 12th European repo market survey

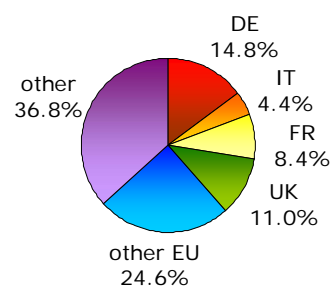


Collateral analysis

Main survey



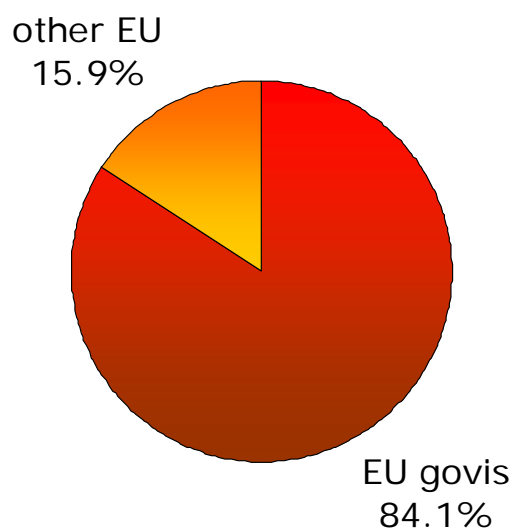
Triparty



European Repo Council 12th European repo market survey



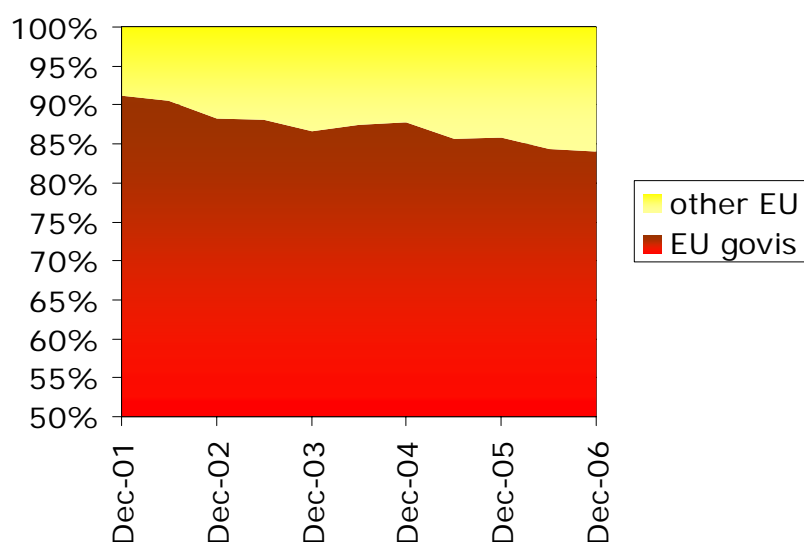
Collateral analysis



European Repo Council 12th European repo market survey



Collateral analysis

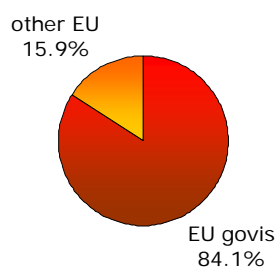


European Repo Council 12th European repo market survey

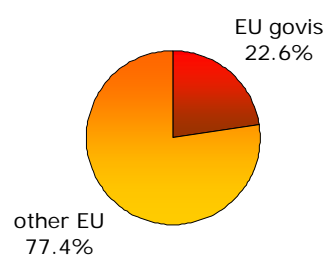


Collateral analysis

Main survey



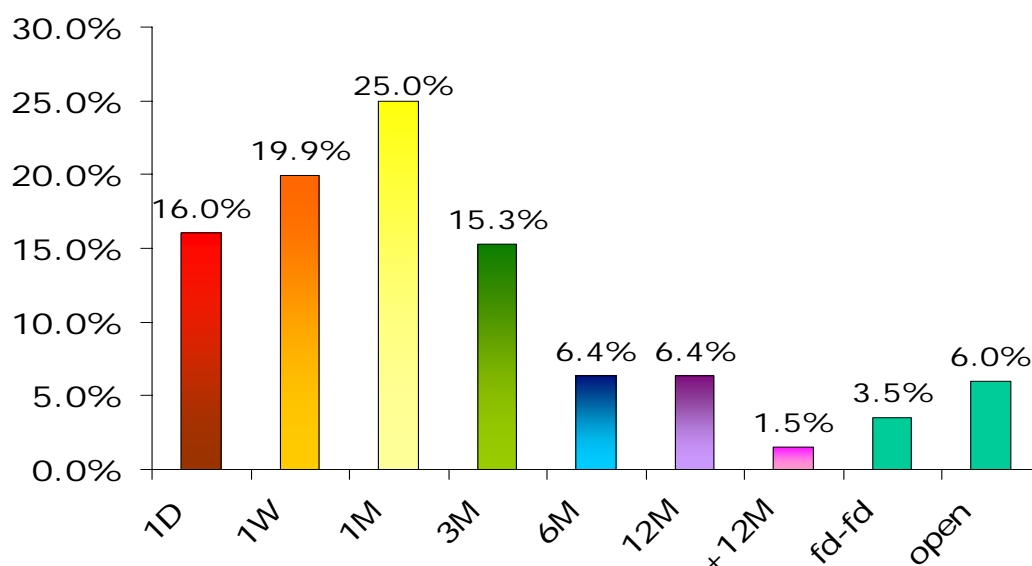
Triparty



European Repo Council 12th European repo market survey



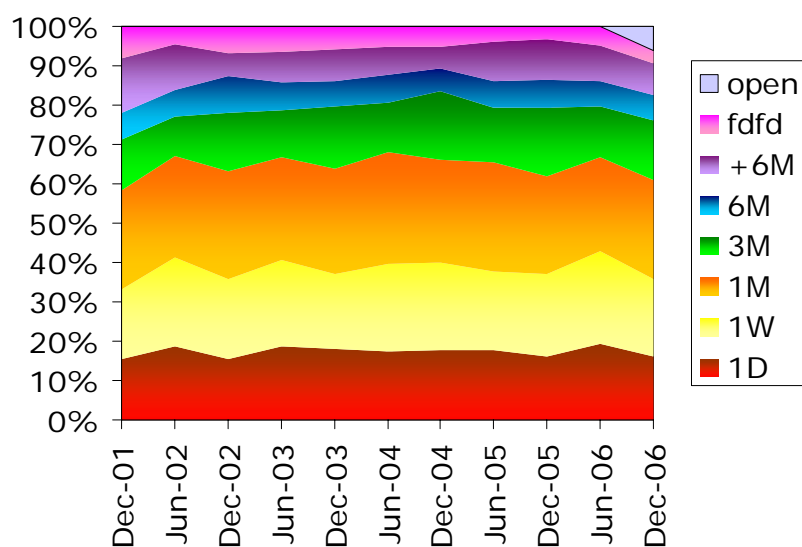
Maturity analysis



European Repo Council 12th European repo market survey



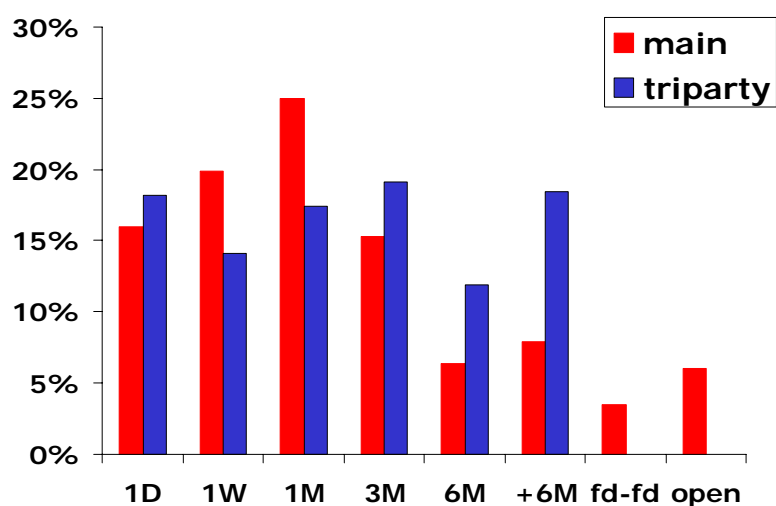
Maturity analysis



European Repo Council 12th European repo market survey



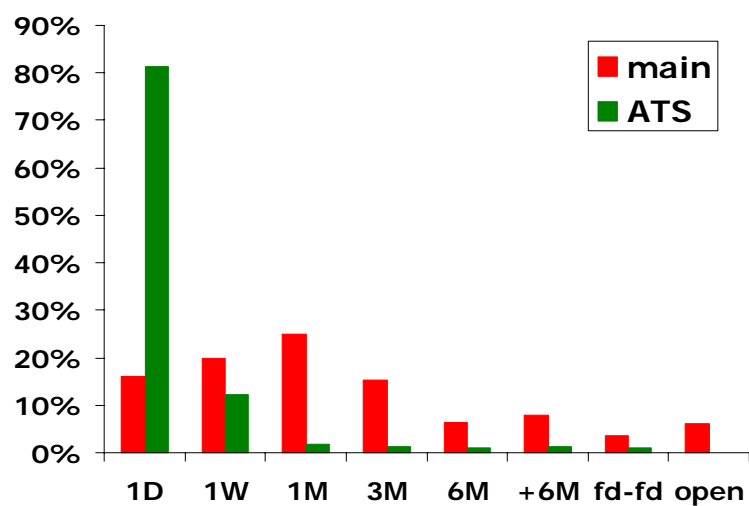
Maturity analysis



European Repo Council 12th European repo market survey



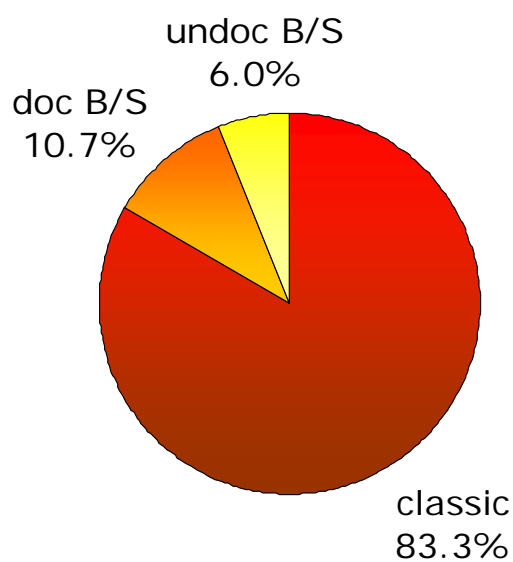
Maturity analysis



European Repo Council 12th European repo market survey



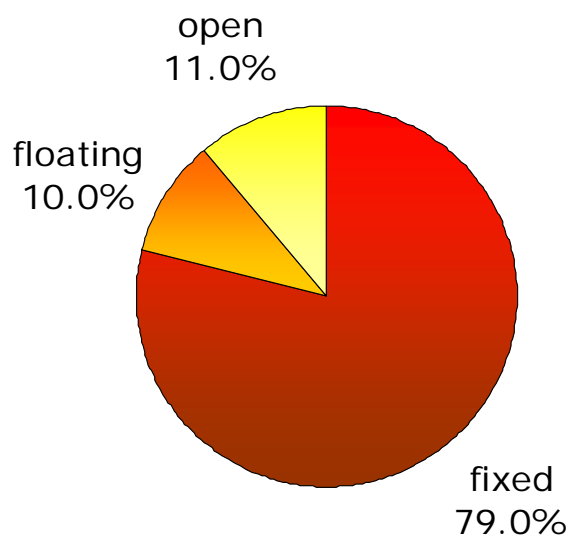
Contract analysis



European Repo Council 12th European repo market survey



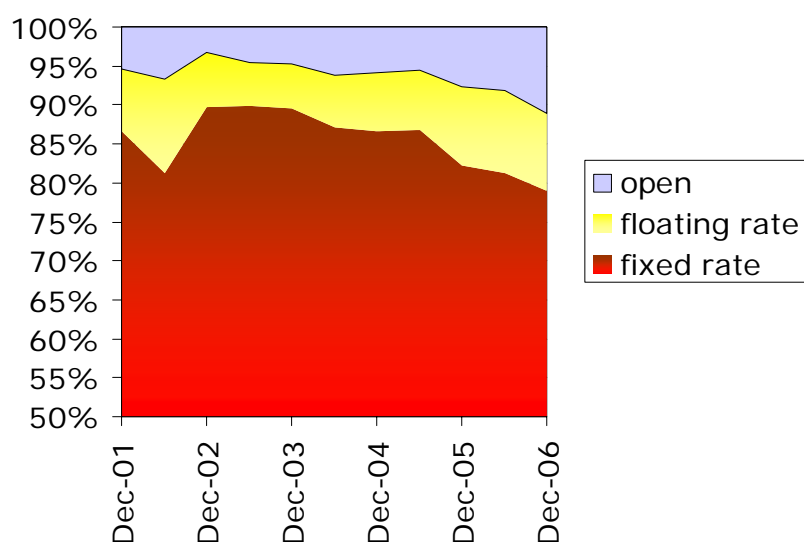
Rate analysis



European Repo Council 12th European repo market survey



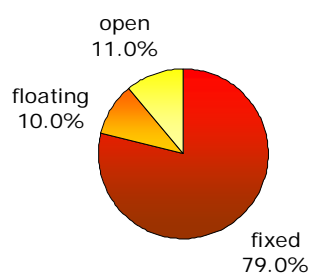
Rate analysis



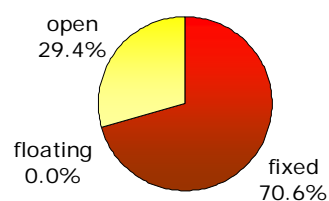
European Repo Council 12th European repo market survey

Rate analysis

Main survey



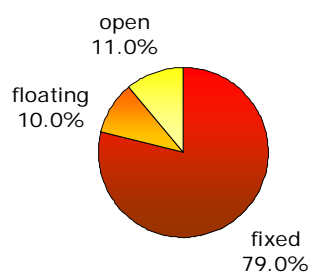
Triparty



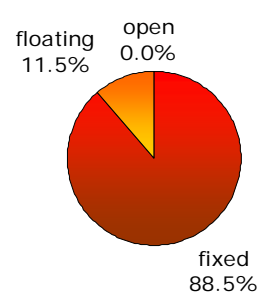
European Repo Council 12th European repo market survey

Rate analysis

Main survey



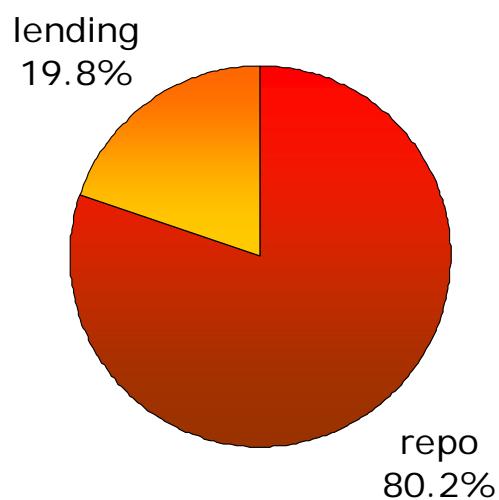
ATS



European Repo Council 12th European repo market survey



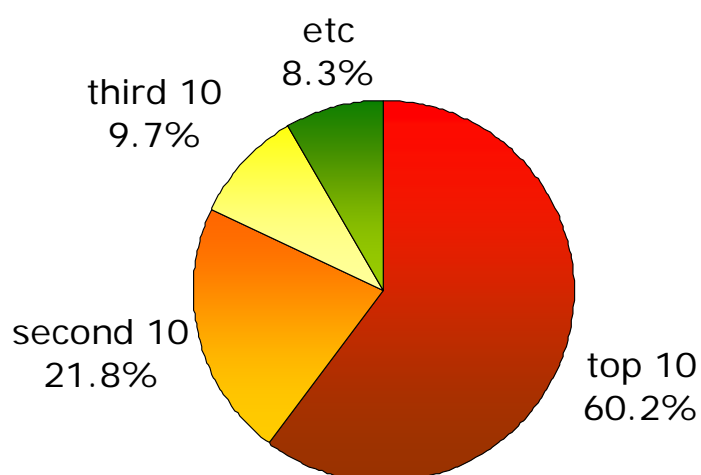
Product analysis



European Repo Council 12th European repo market survey



Concentration analysis



European Repo Council
12th European repo market survey



Date of next survey

13th June 2007



Press release

News from the International Capital Market Association (ICMA)

Talacker 29, P.O. Box, CH-8022, Zurich
www.icmagroup.org

Please see foot of release for contact details

ICMA/2007/09

Wednesday, February 28, 2007
For immediate release

Latest ICMA survey shows strong growth in European repo market over 2006

(London, UK) The International Capital Market Association (ICMA) today released the results of its 12th semi-annual survey of the European repo market. The survey, which is effectively a snapshot of the volume of repo trades outstanding on December 13, 2006, shows market size at over EUR 6,430 billion (EUR 6.4 trillion), an annual increase of 14% over 2006, compared with an increase of 18% in 2005.

The total value of repo contracts outstanding on the books of the 74 institutions who participated in the latest survey rose to EUR 6,430 billion compared to EUR 6,019 billion in June 2006 (based on 79 survey responses) and EUR 5,883 billion in December 2005. The growth in the market in the last 6 months of 2006 reflects healthy activity in the underlying European debt securities market over this period.

The survey also indicates a renewed boom in electronic trading of repo which now accounts for 23.3% of trading. Most significantly, the share of anonymous trading on electronic systems rose from just 8.7% of the total business to over 14% in December. By comparison the market share of voice broking continued to contract falling to a new low of 19.8%.

The strong growth of triparty repo shown in previous surveys faltered slightly with market share falling from 11.3% in June to 10.6% in December although the outstanding business reported directly by the triparty agents actually increased, suggesting a broadening of triparty activity beyond the core interdealer market represented in the survey. It is likely that growth in triparty repo will continue in

more follows/...

ICMA/2007/09

page 2 of 3

the coming months as re-use of collateral in triparty arrangements is facilitated by the introduction of Euro General Collateral settlement by Central Counterparties during the course of this year.

Commenting on the survey results, Godfried De Vidts, Chairman of ICMA's European Repo Council said: "Growth in the repo market continues and although the sample of banks covered by this survey has gone down it is clear that there is a strong upward trend in outstanding volume. Repo is becoming a commoditised business hence the growth of electronic trading and in particular growth in anonymous trading volumes through a central counterparty. The continuous drive by the EU Commission through various initiatives to make clearing and settlement more efficient and ongoing ECB discussions regarding Target 2 Securities should mean that clearing and settlement of this high volume business will become cheaper. As chairman of the European Repo Council I appeal to all banks active in this market to participate in the survey as it is an essential tool for development in this market".

The results of the repo survey were presented today at the General Meeting of the European Repo Council, a forum affiliated to ICMA, where the repo dealer community meets to discuss the practical challenges of this rapidly evolving marketplace.

ENDS

Notes for editors

1. Copies of the ERC survey

A copy of the 12th ICMA ERC European Repo Survey can be downloaded from ICMA's website at: www.icmagroup.org

more follows/...

ICMA/2007/09

page 3 of 3

2. European Repo Council

The ERC was established in December 1999 by ICMA. Membership is open to any ICMA member who undertakes dedicated repo markets activity. A core responsibility of the ERC and one of the original reasons for its existence is to assist ICMA in maintaining the legal documentation which underpins the safe functioning of the cross-border repo market, specifically, the Global Master Repurchase Agreement (GMRA).

Perhaps one of the most widely known initiatives of the ERC has been its educational programme. With the backing of ICMA and the ACI, the ERC has run the ICMA-ACI Professional Repo Market course since 2002 the next course will run in Moscow in May 2007.

3. International Capital Market Association (ICMA)

The International Capital Market Association is the self-regulatory organisation and trade association representing constituents and practitioners in the international capital market worldwide. ICMA's members are located in 48 countries across the globe, including all the world's main financial centres, and currently number some 400 firms in total. ICMA performs a crucial central role in the market by providing and enforcing a self-regulatory code of industry-driven rules and recommendations which regulate issuance, trading and settlement in international fixed income and related instruments. ICMA liaises closely with regulatory and governmental authorities, both at the national and supranational level, to ensure that financial regulation promotes the efficiency and cost effectiveness of the capital market. www.icmagroup.org

4. Contact details for further information

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LCH.Clearnet Fixed Income

Product and Development Update

Presentation to the ERC

28 February 2007

www.lchclearnet.com

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Slide 1



LCH.CLEARNET

RepoClear Development and Change Programme

- ☞ Sterling GC
- ☞ Euro GC
- ☞ Review of Tariff Structure
- ☞ Cash Bonds

www.lchclearnet.com

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Slide 2



LCH.CLEARNET

Sterling GC

www.lchclearnet.com

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Slide 3



RepoClear Sterling GC

Utilising the DBV Settlement Mechanism

Trading via
automated
trading systems
and voice
brokers

Settlement
shape size
of £250m with
no routine
partialing

Settlement
by auto
allocation

Innovative
vertical netting
structure aimed at
optimising netting
benefits - single
position each
day

Anonymous
trading

Cash-fill
trading

2.30 p.m.
Same-day trade
registration
cut-off time

Sterling GC Clearing

- Member test 5 March

- Live 14 March

EGC Basket
mirroring
Crest's UBG
Basket

LCH.Clearnet
instructing net
settlement using
direct input
mechanism

Zero or
greater
repo rates

Balance
sheet
netting

Supports
Overnight and
Term, Same-day and
Forward Start
EGC repo
trades

For more information please contact Nick Maggs on
Tel: +44 (0)20 7426 7442, email nick.maggs@lchclearnet.com or
go online at: http://lchclearnet.com/integration/product_descriptions.asp

www.lchclearnet.com

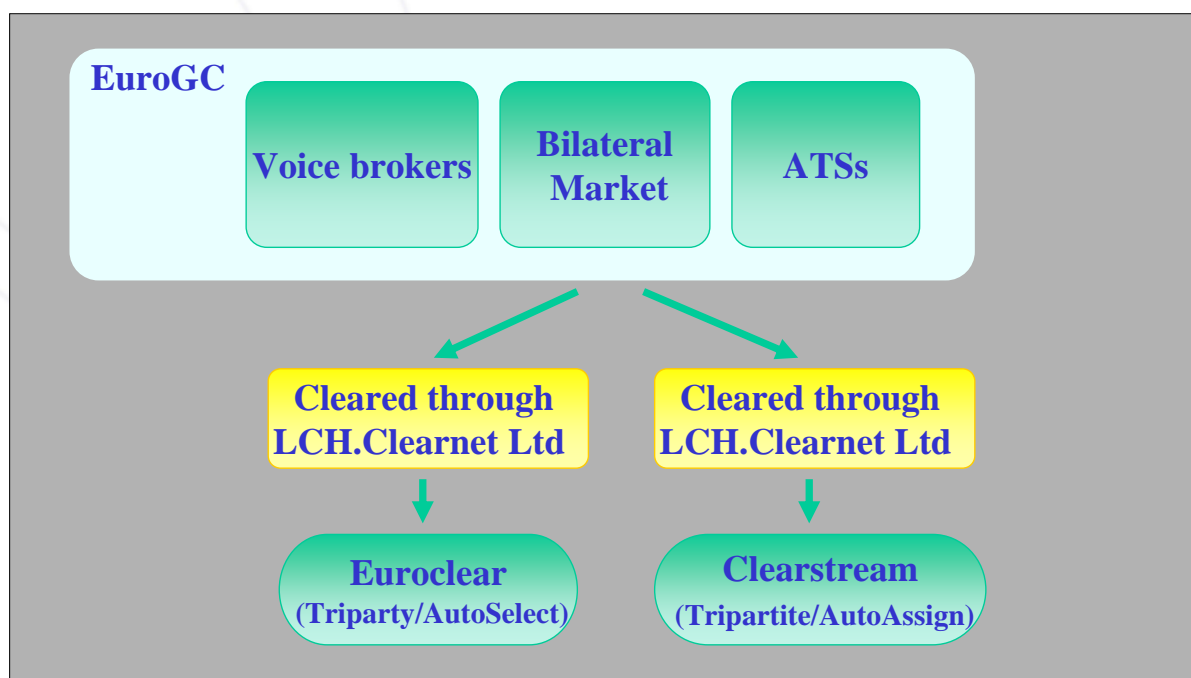
© LCH.Clearnet Group Limited

Slide 4



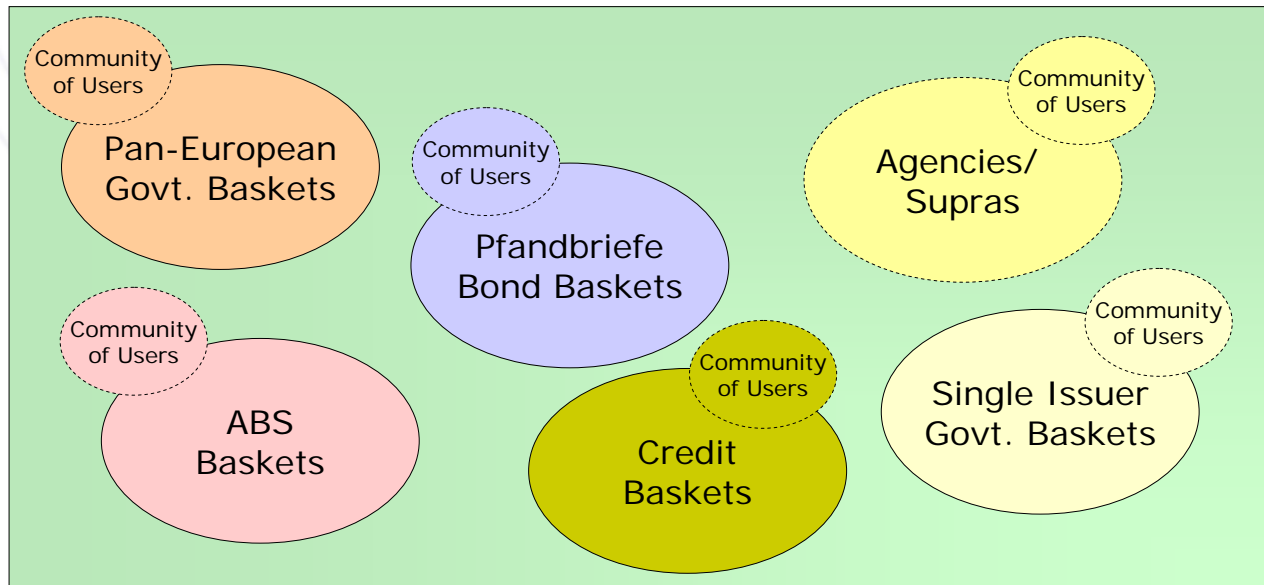
EuroGC

RepoClear EuroGC: High Level Clearing Model



EuroGC is a Service, Not a Product

EuroGC is a service **framework** into which multiple standardised GC baskets can be offered over time; each supported by a different **community** of users



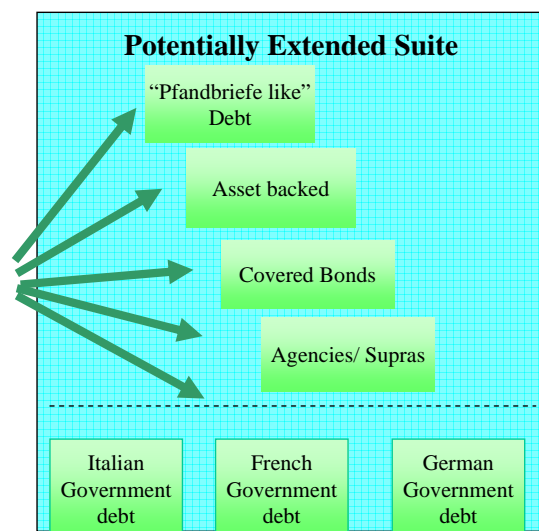
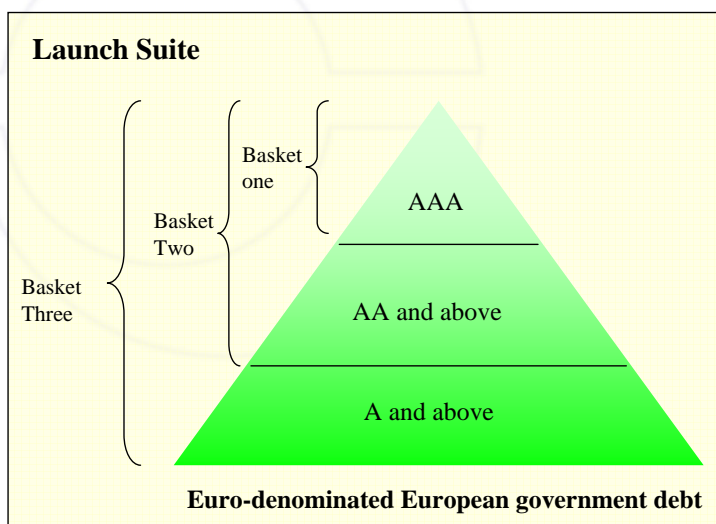
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Slide 7

LCH.CLEARNET

RepoClear EuroGC Baskets: Launch and Potential Evolution



Evolution of GC Basket Suite

- Launch baskets ahead of clearing service to establish trading in standardised baskets
- Bilateral trading facilities may also be set up prior to live

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Slide 8

LCH.CLEARNET

Next Steps

- 🔗 The EuroGC project is being developed in a phased approach with a review of the business case and assessment of the project risks occurring at the end of each phase.
- 🔗 The next phase – development of the use case model – has recently been approved and has already commenced. It is expected to complete in approximately six weeks.
- 🔗 The EuroGC project will be reviewed again at the end of this phase and the business case and project risks will be re-assessed.
- 🔗 The largest single project risk is viewed as being the cost of settlement using the ICSD tri-party systems. However, some changes in settlement costs have recently been announced that go a step towards achieving a more appropriate settlement cost framework for the EuroGC product.

Review of Tariff Structure

Tariff Structure Review

LCH.Clearnet is reviewing the suitability of the tariff structure for the Fixed Income business and considering options for how it could be modified.

The review is a revenue neutral exercise for LCH.Clearnet and seeks only to ensure that an appropriate tariff structure is in place for members.

Analysis

- Different charging rates apply currently to the Ltd & SA Fixed Income businesses
- Changes in the pattern of repo trading have highlighted possible weaknesses in the current tariff structure.
- It is apparent that different markets have different trading characteristics (overnight versus term) and therefore make different contributions to the revenue generated by the business.
- The fees generated from overnight trades, which represent the majority of repo trades cleared, are not commensurate with the operational risk being managed.
- Term trades make a disproportionate contribution to the revenue generated by the service.

Tariff Structure Review

Goals

- Ensure that each repo trade cleared makes a meaningful contribution to revenue and is priced at a rate that is commensurate with the operational risk being managed
- Reduce the cost of clearing term trades
- Provide an incentive for additional longer-term trades to be lodged within the net
- Ensure that any changes to the tariff structure does not adversely impact liquidity
- Harmonise the Ltd and SA repo tariff
- Harmonise and simplify the Ltd and SA minimum monthly fee structure

A further period of analysis and consultation is underway

Seeking to agree a revised tariff structure in conjunction with LCH.Clearnet's Product Advisory Group (PAG) by the end of March 2007

Cash Bonds

Cash Bonds

- 🔗 An internal analysis is underway that seeks to increase the amount of cash bond trades that are cleared within LCH.Clearnet's Fixed Income business
- 🔗 An important element of the analysis is to understand fully the needs of the cash bond traders and of the cash bond market community
- 🔗 Important considerations include:
 - 🔗 The role of the intermediary in cash bond trading (voice brokers and ATSSs)
 - 🔗 Anonymous screen trading versus blind-broking
 - 🔗 Intermediaries acting as matched principal versus agency broking
 - 🔗 Handling of broker commissions
 - 🔗 A model for cash bond clearing that supports existing cash bond market characteristics, conventions and norms
 - 🔗 Appropriate risk management techniques
 - 🔗 The amount and type of STP required
 - 🔗 How trade instruction should be organised

Next Step – discussion at the Fixed Income PAG meeting on 29 March 2007

Sterling GC Launches 14 March 2007



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Slide 15



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Euroclear Update on Product Delivery

ERC AGM – Frankfurt, 28th February 2007

Olivier Grimonpont
Product Management
Head of Fixed Income, Collateral
Management & Securities Lending
Euroclear S.A. / N.V.



Agenda

Improved Interoperability with (I)CSDs

- Enhanced securities lending platform

Triparty Collateral Management

- Collateral re-use service

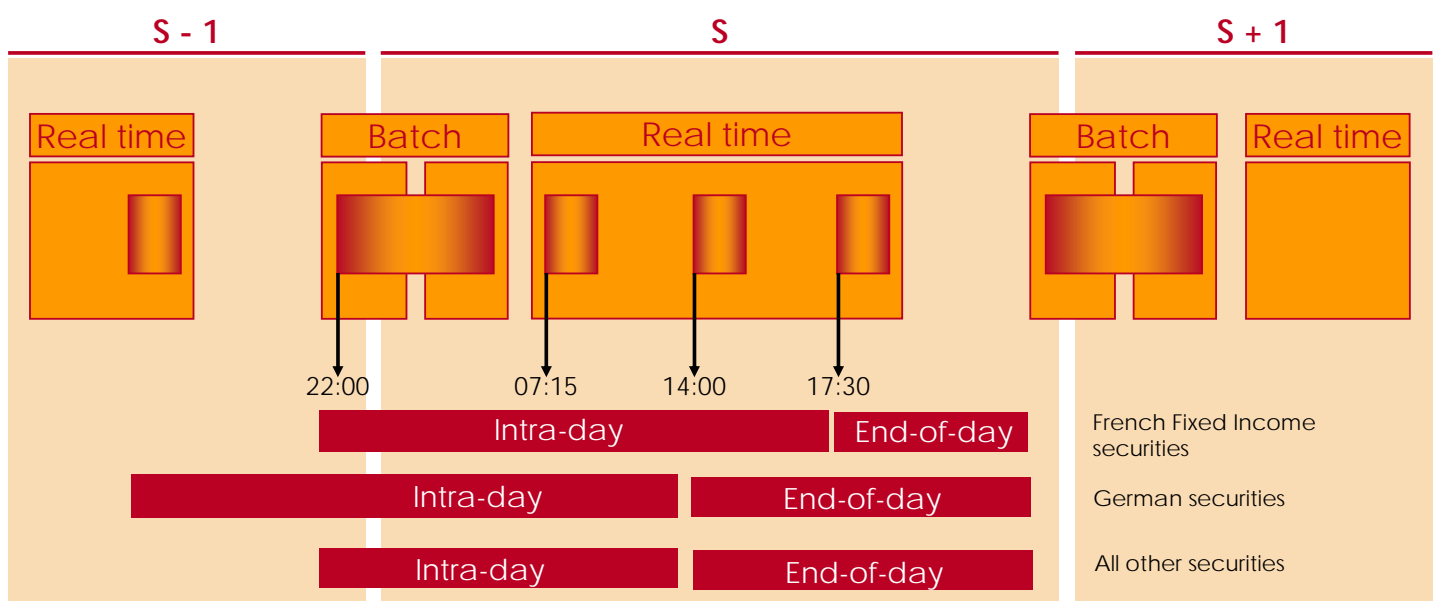
Enhanced securities lending platform



The ERC, in its letter dated May 2006, requested the (I)CSDs to improve the interoperability between the (I)CSDs, by allowing later input deadlines for bridge transactions as well as cross-border transactions

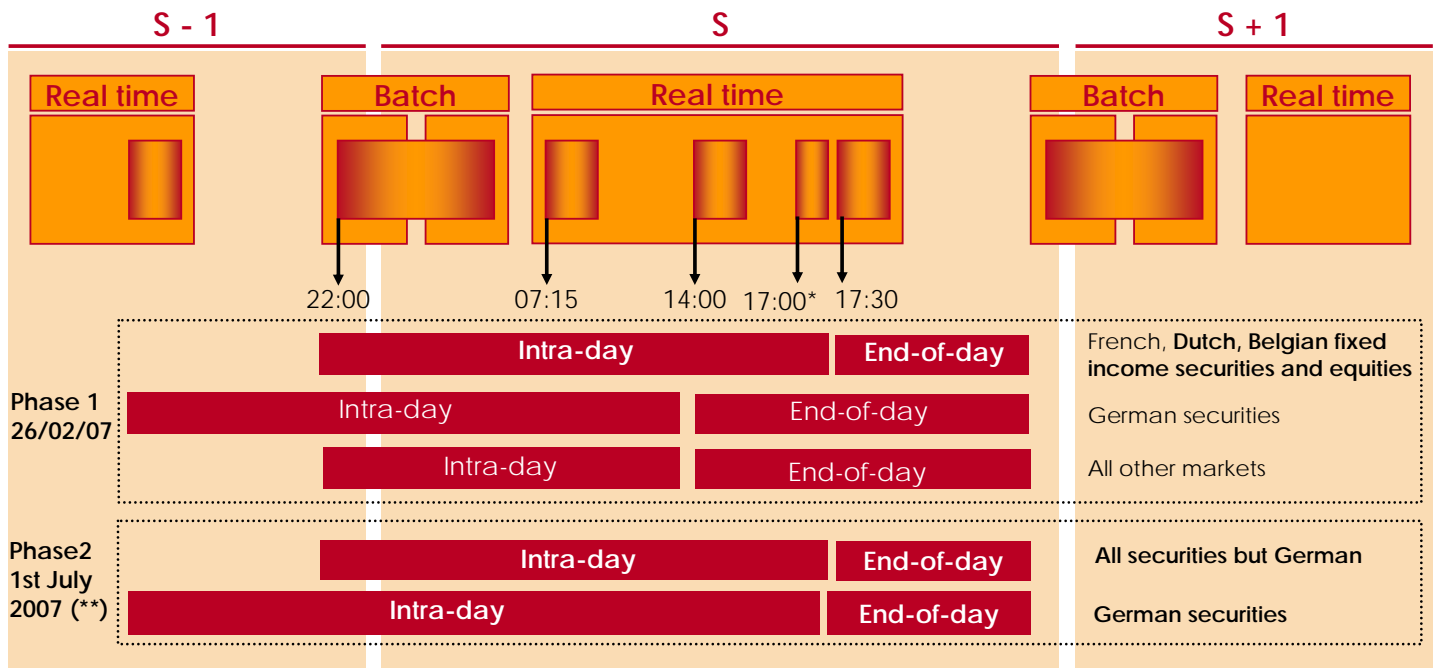
- This request followed the need to instruct and settle later during the day to support the growing financing activity
 - It resulted, amongst others, in the announcement made by Clearstream and Euroclear of new settlement deadlines for bridge transactions. The first phase of these developments is planned for early March and will be followed by further deadline extensions early 2008
- ⇒ These improvements increased the pressure to have the possibility to reimburse borrowed securities later during the day

Lending and borrowing infrastructure prior to Feb 26



Enhanced infrastructure

Delivered in two phases



(*) Applicable as of Phase 2 only
 (**) Date to be confirmed

New pricing principles

EB is committed to maintain the balance between borrowers' and lenders' interests

- Lenders' revenues will be maintained at today's levels or higher.
- An attractive spread between borrowing and money market rates will continue to allow the borrower to make a profit on the cash they will receive thanks to borrowing.

Agenda

Improved Interoperability with (I)CSDs

- Enhanced securities lending platform

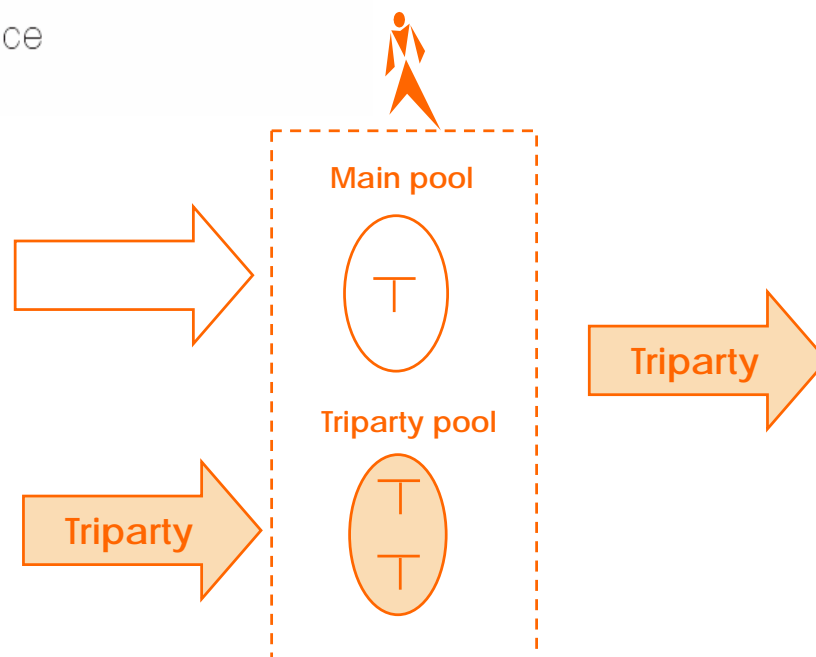
Triparty Collateral Management

- Collateral re-use service



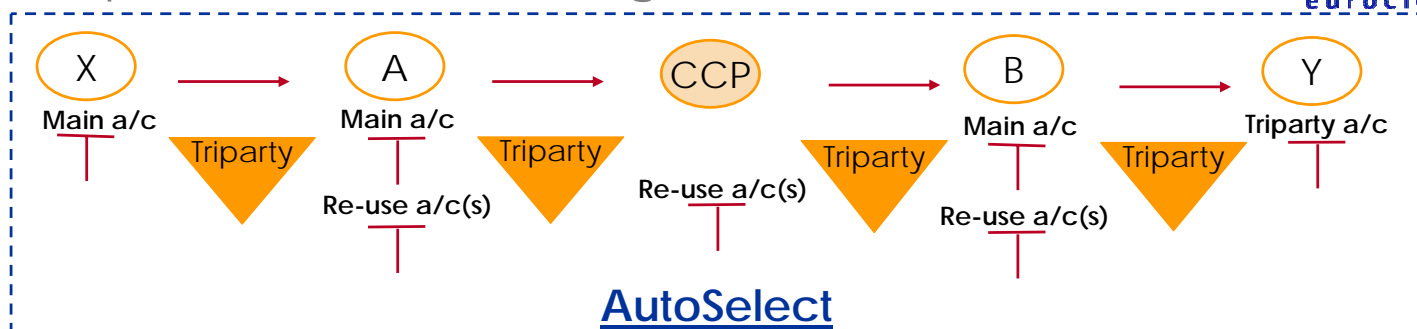
2007-T-001
22 January 2007

Launch of new collateral
re-use service



Collateral Re-Use Service

Scope of the new offering



Key features:

- Multiple re-use, no constraints;
- All re-use legs processed within the same AutoSelect cycle (15 cycles /day);
- Initial giver (e.g. X) keeps full substitution capability;
- Fully integrated with current Triparty business;
- Flexibility to prioritize re-use pools versus own assets;
- Triweb reporting upgraded to best manage available collateral pools;
- Both pre-defined (GC type) and tailor-made eligibility criteria;
- Across exposure types (derivatives, securities lending, repos, others...);
- Maximized settlement efficiency.

Collateral Re-Use Service

Triparty pricing review



Media Release

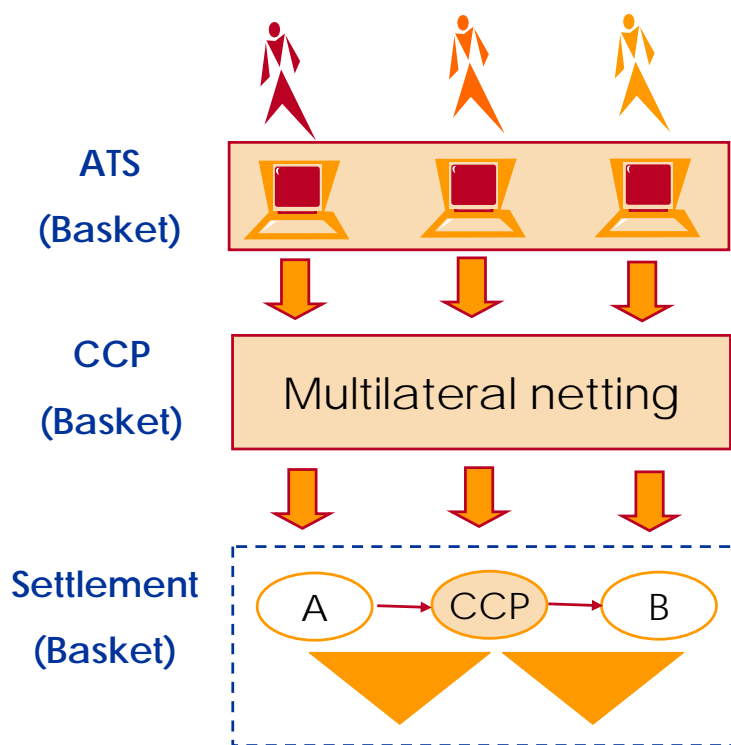
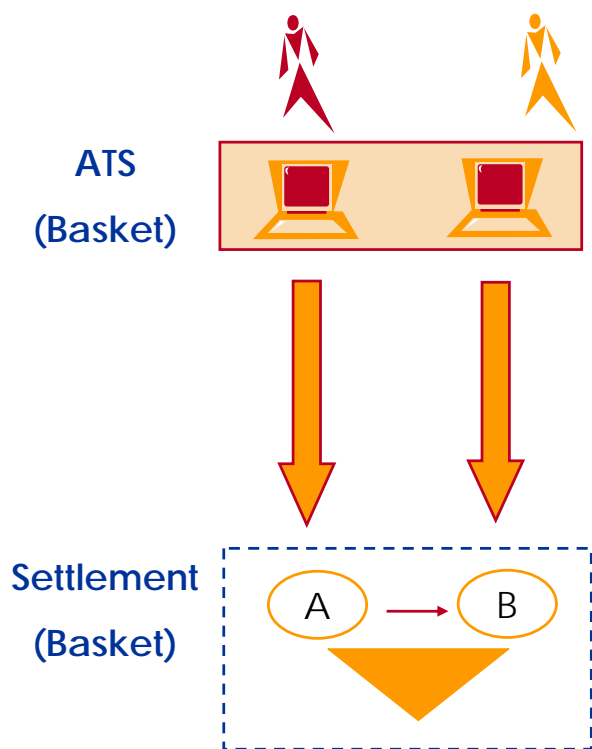
For immediate release
2006-MR-17

Euroclear Bank to save clients
more than EUR 120 million

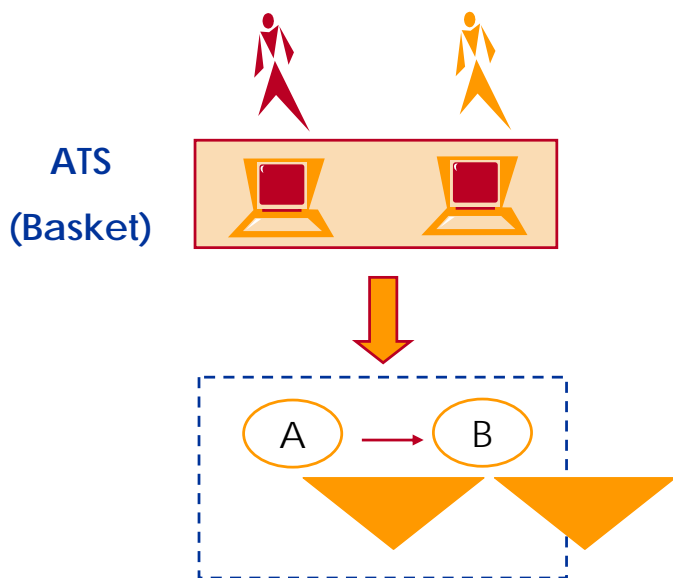
Reduced triparty processing fees

The specific settlement fees charged for AutoSelect® transactions will be suppressed. If you are a triparty user, you will benefit from a reduction of up to 30% on your overall triparty processing fees.

Euro GC product – triparty



Euro GC product - triparty



Set-up at triparty level:

➔ One pager Form of Agreement

RG506

Form of Agreement

Multiparty Repurchase Service Agreement – Terms and Conditions

➔ Simple account structure

One cash borrower account

One cash lender account

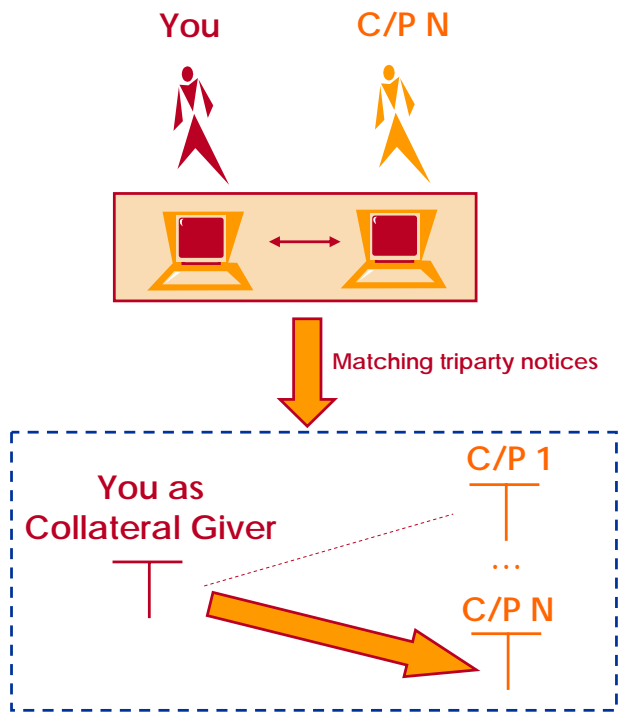
➔ Standard triparty processing

With or without re-use

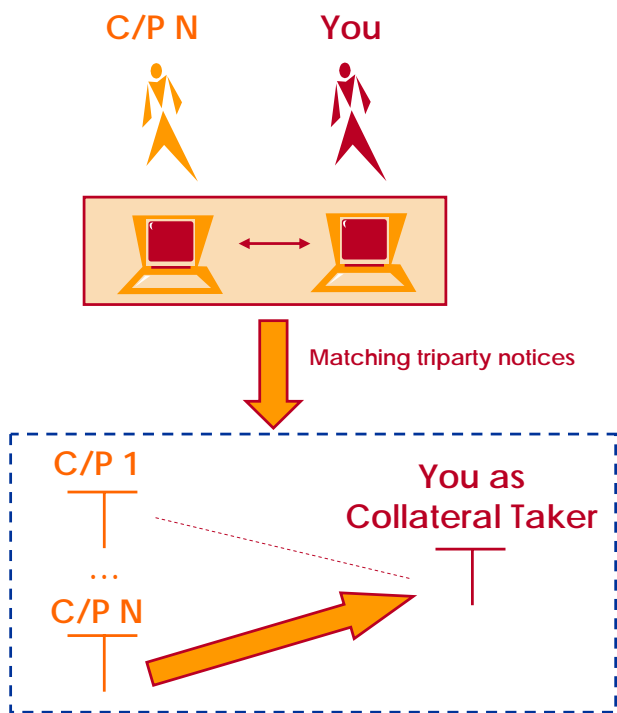
Euro GC product - triparty



You - borrowing cash



You - lending cash



High on value, low on cost

Two good reasons to

smile





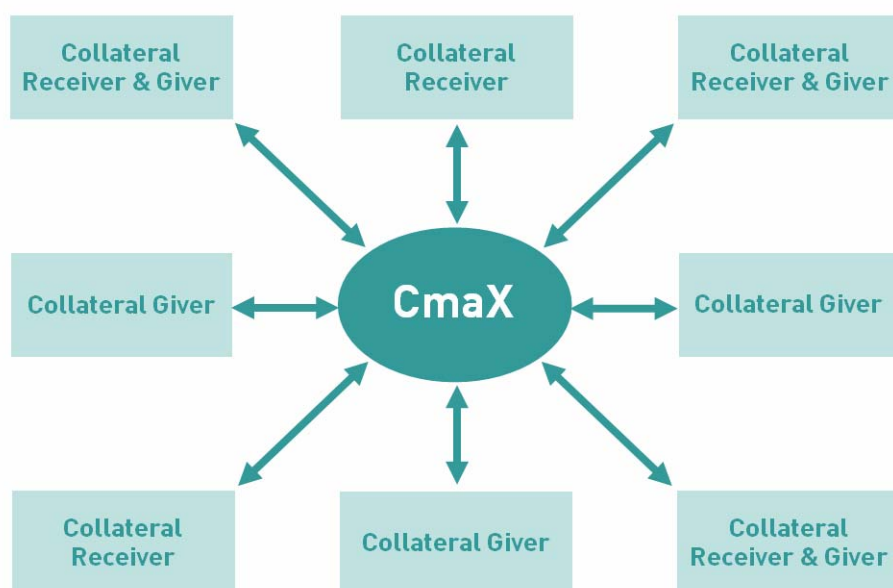
euroclear

Triparty GC Baskets & Reuse

ERC General Meeting
Frankfurt, 28 February 2007

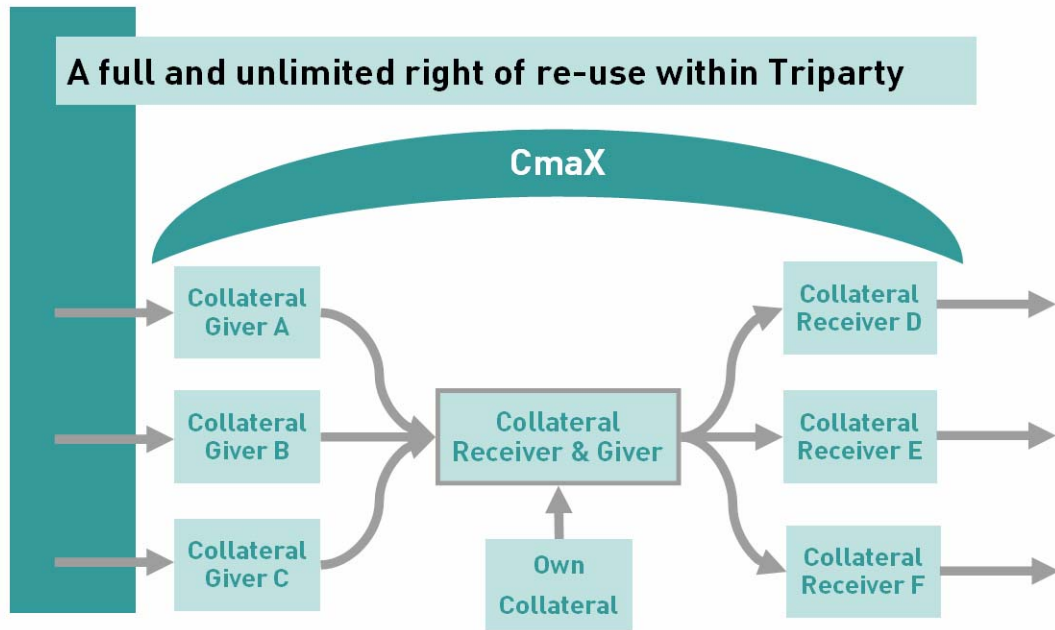
CmaX – The Collateral management eXchange

clearstream



CmaX – Multiple re-use within Triparty

clearstream



08 March 2007
Page 3



CmaX– Multi-lateral Service Agreements

clearstream

Collateral Management Service Agreements

- a new agreement for Collateral Receivers
- a new agreement for Collateral Givers
 - both new agreements have to be signed for Collateral Reuse

Easy access and possible standardisation

- one agreement gives you access to all existing and future counterparts of the service
- one counterpart or third-party can issue a standard collateral basket to be adopted by all (i.e EURO GC, ECB eligible, ...)

08 March 2007
Page 4



Triparty EUR GC Baskets with Re-Use

clearstream

3 EUR GC baskets defined by ERC (Eurozone GOVT AAA, AA, A)

Bilateral GC trades but settled via Triparty

Direct trade, through electronic trading or voice broker

CCP/netting when available (Eurex Clearing/LCH.Clearnet)

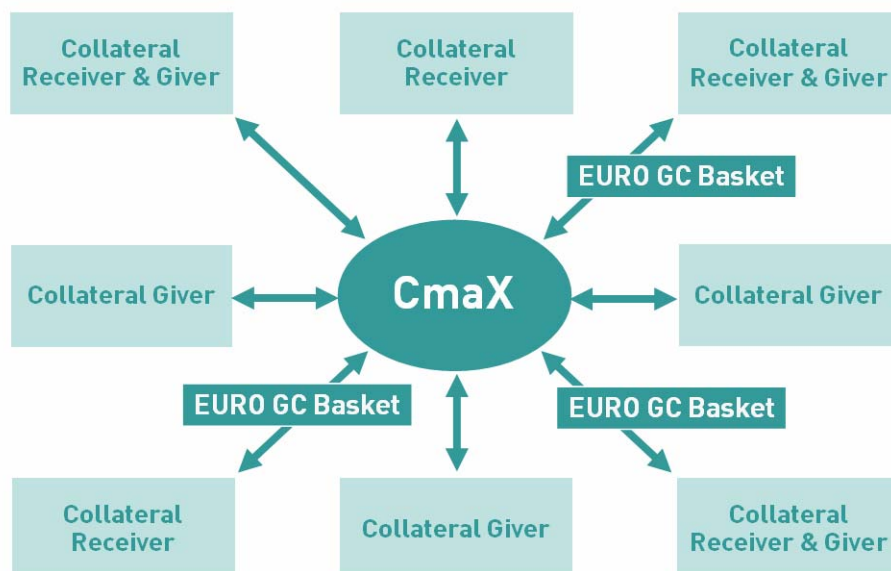
08 March 2007

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Triparty EUR GC Baskets with Re-Use

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08 March 2007

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EUR GC baskets defined by ERC

clearstream

Participants accept all 3 EUR GC baskets (AAA, AA- and above, A- and above)

- Euro zone Government bonds
- AT, BE, DE, ES, FI, FR, GR, IE, IT, LU, NL, PT, SI
- Securities denominated in EUR
- No maturity limits
- Short term, Bills and Strips accepted
- No concentration limits
- No haircuts

08 March 2007
Page 7



CmaX - The Next Steps (2007 and beyond...)

clearstream

Next opportunities :

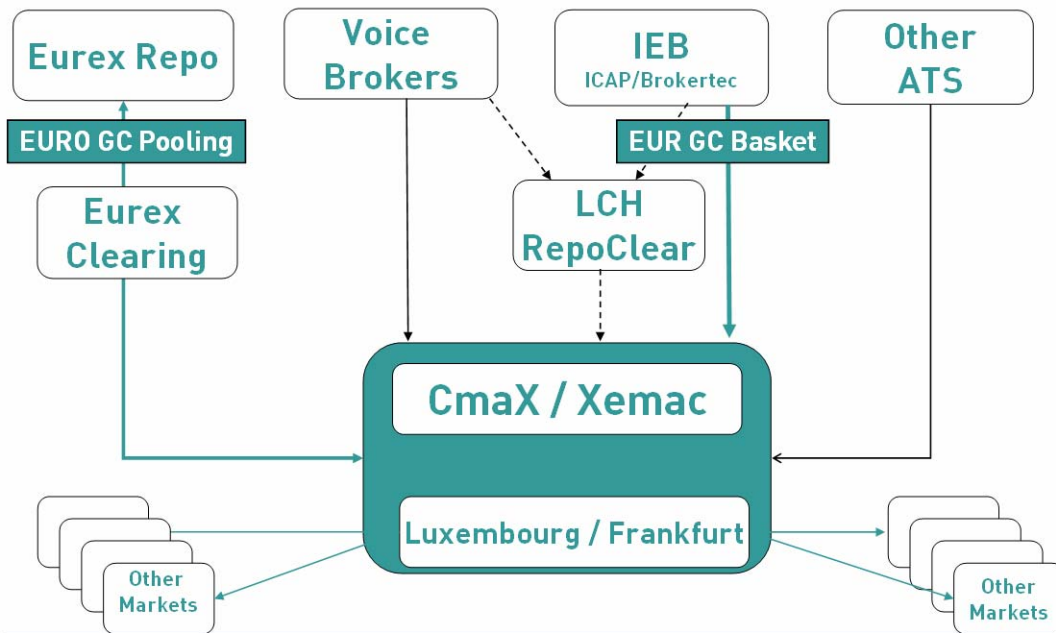
- Extension of EURO GC Pooling product from Eurex Repo / Eurex Clearing across CBL and CBF settlement platform (Q3 2007) allowing access to CBL Triparty customers and widening the basket to international securities.
- Further enhancement to real-time settlement
- Improved settlement deadlines and interoperability with most European domestic markets and over the Bridge with Euroclear

08 March 2007
Page 8



The GC trading, clearing & settlement landscape

clearstream



08 March 2007
Page 9

Contacts at Clearstream

clearstream

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- Southern Europe: Pascal Morosini @ +352 2433 6868
- Northern Europe: Heidi Reiles @ +352 2433 6361
- Germany: Gösta Feige @ + 352 2433 2394



Self-regulatory organization (Russia)



**National
Securities
Market
Association**

In association with:



Professional Repo Market Course



MOSCOW
May 23-24, 2007

Main sponsors:



Financial sponsors:



ABN-AMRO

clearstream

DEUTSCHE BÖRSE
GROUP



Course overview

The Professional Repo Market Course is an educational initiative aimed at promoting the orderly growth and development of the European repo markets by advancing the professional competence of the individuals active in these markets. More specifically, the course aims to provide a comprehensive and practical understanding of the repo product and its uses, the European repo markets and their conventions, operational and legal issues, as well as the regulatory and accounting framework.

As a prominent international financial centre, Russia is a particularly appropriate venue for this year's ICMA-NSMA Professional Repo Market Course. This is the first introduction of the course to the Russian financial community.

The course is sponsored by ICMA's European Repo Council (ERC) and NSMA - the SRO National Securities Market Association in Russia. To reflect the international nature of the markets, additional support has also been received by ACI The Financial Markets Association, ACI Russia, SIFMA and NFEA. The teaching faculty includes experienced market practitioners, legal professionals, high-level academics as well as central bank officials. The course is being coordinated by the ICMA Centre at the University of Reading in England.

Now in its sixth year, the course has been organised in response to strong demand from members of ICMA and NSMA following the success of the previous events, which received excellent feedback. ICMA, NSMA and their event partners are pleased to be able to offer this course to their members at reduced rates, reinforcing the commitment of both organisations to market education.

Sponsors

This year, we are pleased to recognise the financial support for this event by:

- UniCredit Group (HVB), our lead sponsor, (Gala dinner and Kremlin excursion)
- Clearstream, (Brochures and course notes)
- Euroclear, (Lunch on the first day)
- ICAP, (Lunch on the second day)
- ABN AMRO, (Financial support)
- And Eurex. (Coffee breaks)

We would also like to thank our sponsors for their active participation and considerable time and resources dedicated towards the organisation of this course in Moscow.

Comments from previous year's delegates

"I am delighted to have participated to this event. Money well spent."

"One of the most useful courses I have ever attended."

"Excellent speakers and extremely interesting course"

"Thank you very much for organising this seminar, I learnt a lot during these 2 days."

"Very well organised. Would recommend it to everyone."

Who should attend?

This course is targeted at fixed income and funding professionals in the repo market, as well as staff involved in securities financing in the middle and back offices, and in the legal, compliance and accounting functions.

The course will be conducted in English and simultaneously translated in Russian and the pace is fast. Participants must therefore have a good knowledge of, and some fluency in, one of these languages. There is no pre-course reading required and full notes will be provided in English and Russian. Delegates should have a good understanding of how to calculate the value of a bond from its clean price and the number of days accrued interest. A standard calculator would be useful to have, but is not essential during the course.

Course notes to support the tutorials will be provided on the first day, courtesy of Clearstream. They will be provided in English and Russian.

Please see the syllabus at the back of the brochure for the topics covered by the course over the two days. A more detailed syllabus will be available at www.icma-group.org in due course, a copy of which will also be circulated in Moscow.

Any questions on the syllabus

After reading the syllabus, if you have any queries about the content of the course, please contact the Course Director, Richard Comotto, at the ICMA Centre, by e-mail at comottor@aol.com or contact National Securities Market Association by telephone on + 7 495 980 98 74 or by e-mail at info@nfa.ru.

Queries on registration and accommodation should not be sent to this e-mail address, instead please use the contact information provided under the 'How do you register' section of this brochure.

When and where is the course being held?

The course will be held at:
Moscow Marriott Renaissance Hotel

Olimpiyskiy Prospect 18/1
Moscow, 129110 Russian Federation
Tel: +7 495 931 9000
Fax: +7 495 931 9020
E-mail: Moscow.ren.rooms@renaissancehotels.com

The course will run from 08:00 to 17:20 on Wednesday, May 23, and from 8:00 to 15:35 on Thursday, May 24.

On the evening of Wednesday, May 23, there will be entertainment and a dinner provided for delegates sponsored by UniCredit Group (HVB). (Details will be provided before the start of the course)

Registration fee

The course is sponsored by ICMA's European Repo Council (ERC), NSMA and several other event partners. Accordingly, this year, the only cost for participants is a

registration charge of USD 300 (approximately EUR 200 or 8,100 Roubles) per head for members of ICMA, NSMA and other event partners. The charge for other participants is USD 400 (approximately 300 EUR or 10,800 Roubles). The fee covers the cost of all course materials and is non-refundable. It does not include travel, accommodation costs and visas. **Please note that obtaining visas is the sole responsibility of the attendant at their own expense. However, attendant can use the visa support service provided by the Renaissance hotel.**

How do you register?

For Russian delegates, all registration details for the course can be found at the following web address:

<http://www.nfa.ru/nfa2/seminars/23052007.shtml>

For all other delegates, all registration details for the course can be found at the following web address:

http://www.icma-group.org/content/international1/moscow_repo_market.html

Please ensure that you have read this brochure fully prior to registering for the course. Course registration does NOT cover hotel and travel expenses.

Payment of the registration fee must be received before the event and confirmation of registration will be e-mailed to applicants once payment has been processed. Registration will only be valid after payment has been received.

Registration must be received no later than one month prior to the beginning of the event (April 23, 2007) for international participants and no later than two weeks prior to the event (May 11, 2007) for Russian participants.

Should you have any questions regarding registration for Russian participants, please contact Alexey Smorodin on + 7 495 980 98 74 or e-mail him at info@nfa.ru.

For all other participants, please contact Gaël Tissier on +44 20 7538 5656 or e-mail him at gael.tissier@icma-group.co.uk.

Accommodation, Travel and Visa

Participants will need to book and pay for their own travel, accommodation and visas expenses.

Approved Hotel

- Marriott Renaissance Hotel - Moscow

Specially reduced rate block bookings have been arranged at this approved hotel, and rooms will be allocated on a first come-first served basis. Block bookings will only be honoured for up to a certain period of time and thereafter will be released by the hotels. Delegates are strongly encouraged to make their reservations as soon as possible in order to take advantage of the reduced rate, as well as the convenience of the location of the hotel. Participants are not obliged to use this hotel, but regardless of their choice should make their own arrangements for accommodation and travel.

To book a room at the Marriott Renaissance Hotel, please contact the Marriott hotel by email (Moscow.ren.rooms@renaissancehotels.com) or by phone (Tel.: 007 495 931 90 00) quoting "Repo Market Course" in order to benefit from the preferential rate of USD 466.10. (About EUR 354.71)

Visa

Participants staying at the Marriott Renaissance hotel will be able to use their services to get a visa. A letter will be sent upon request from the hotel to the participants that will have to be sent/given to the Russian embassy/consulate in your own country in order to obtain a visa. This will take up to 4 weeks from the moment the letter is given to the Russian embassy so this should be done before the end of April.

Please note that obtaining a visa is the sole responsibility of the participants and will be at their own expense.

Travel from/to the airports

Some minibuses will pick up participants from the airports. This will have to be prearranged in advance and flight arrivals and departures will have to be communicated to ICMA or NSMA one month before the event. A limited amount of buses has been planned so this will be allocated on a first-come first-served basis.

Please note that the 2 airports near Moscow are not located close to the centre so sufficient time should be allowed to travel from and to the airport especially when coming from or going to Domodedovo airport. A 2 hour journey should be planned when going to or coming from this airport. Frequent traffic jams should also be taken into account.

Sheremetyevo airport is located 29kms northwest of Moscow and Domodedovo airport is located around 80kms South of Moscow.

Organisations involved

International Capital Market Association (ICMA)

The International Capital Market Association was created in July 2005 by the merger of the International Securities Market Association (ISMA) and the International Primary Market Association (IPMA), creating a single influential entity with a broad franchise across the primary and secondary sectors of the international capital market - with financial and organisational resources to represent the interests of the European capital market effectively.

ICMA's European Repo Council (ERC) is an important focus for the European repo market. It is the forum where the repo dealer community meets and forges consensus solutions to the continually emerging practical problems of a rapidly evolving marketplace. In this role, it has been consolidating and codifying best market practice. Moreover, the contact and dialogue that takes place at the ERC underpins the strong sense of community and common interest that characterises the professional repo market in Europe. The ERC is also responsible for promoting the wider use of repo in Europe, particularly among banks, by providing education and market information.

www.icma-org.group

NSMA

SRO National Securities Market Association (SRO NSMA) was established in 1996 and is a trade association gathering Russian securities market participants. At present SRO NSMA numbers more than 240 financial organisations from 23 regions of all 7 Federal Districts of the Russian Federation.

Since 2003 NSMA has been a member of ICMA.

At present Russian Federation contributes 7 organisations to the overall ICMA's membership: SRO National Securities Market Association, 6 SRO NSMA member firms, namely, the Savings Bank of the Russian Federation (Sberbank of Russia), Vneshtorgbank, Vnesheconombank, TRUST Investment Bank, Rosbank and Sobinbank, as well as the Central Bank of the Russian Federation.

ACI - The Financial Markets Association

ACI was founded in Paris in 1955 as Association Cambiste International which was initially aimed at members of the FX and money-market community. The name changed in 1995 to ACI - the Financial Markets Association reflecting the revision of membership criteria into one single membership. ACI is a leading global association of wholesale financial market professionals contributing to the market's development through education, market practices and technical expertise and advice. Currently ACI has some 13,000 individual members with National Associations in 64 countries world-wide. Visit www.aciforex.com for more information.

ACI Russia - The Financial Markets Association

ACI Russia - The Financial Markets Association was formed on April 28th, 2004 as a Russian national organization of financial markets professionals.

Today ACI Russia is among the most active ACI national associations in the world.

The ACI Russia international FX seminars "Current Trends in E-Trading" that take place in Moscow twice a year became a very popular among FX&MM dealers. The ACI Russia annual Analytical Report "The development of Russian FX market" is among the most trusted sources of Russian financial information.

Please see more at ACI Russia official website www.acirussia.ru.

National Foreign Exchange Association of Russia (NFEA):

The National Foreign Exchange Association of the Russian Federation (NFEA) was established in Moscow in October 1999 by the leading participants of local foreign exchange and money market. Nowadays the Association comprises more than 70 local and international banks, brokers and financial exchanges across Russia. It is supported by respective Russian regulatory authorities; the members of the Association are supervised by the Central Bank of Russian Federation.

The main objective of the NFEA activity is to contribute a development of Russian foreign exchange, money and derivatives markets as a highly professional and technologically advanced marketplace and to promote strict adherence of the members to fair competition, legislation, best business practices and international standards adopted by the global professional community.

The Association is governed by the NFEA Council and the Executive Director. It has two committees (Committee for Market Indices and the Committee for Professionalism, Ethics and Education) as well as number of working groups.

Since 2005 in conjunction with Reuters NFEA calculates on a daily basis MosPrime® index reference rate which is increasingly used as a benchmark for short-term Ruble interest rates. "The Standards of operations on the domestic foreign exchange and money markets" elaborated by NFEA in 2001 are recognized as local Code of Conduct and basic legal arrangement for Russian interbank market transactions.

Web: www.nfea.ru.

SIFMA

The Securities Industry and Financial Markets Association (SIFMA) represents the industry which powers the global economy.

Born of the merger between The Securities Industry Association and The Bond Market Association, SIFMA is the single powerful voice for strengthening markets and supporting investors -- the world over.

Its dynamic, new organization is passionately dedicated to representing more than 650 member firms of all sizes, in all financial markets in the U.S. and around the world. They are committed to enhancing the public's trust and confidence in the markets, delivering an efficient, enhanced member network of access and forward-looking services, as well as premiere educational resources for the professionals in our industry and the investors whom they serve.

ICMA Centre

In 1991 ICMA sponsored a professorship in investment banking at the University of Reading in the UK, which led to the creation by the University of the ICMA Centre. It has since grown to become one of the world's major centres of academic excellence in the study of financial markets.

UniCredit Group (HVB) - Lead sponsor

UniCredit Group is the sixth largest European banking group by market capitalisation. With a core presence in 20 countries and 7,000 branches, it serves 28 million customers. The Group enjoys an excellent positioning in the centre of Europe: It ranks second on the Italian and German banking market, and is market leader in Austria. Additionally, it is by far the Number 1 banking group in the countries of Central and Eastern Europe (CEE). Within the Group, the division UniCredit Markets & Investment Banking is the competence centre for global financial markets and investment banking services.

Euroclear

User owned and user governed, Euroclear is the world's largest provider of securities settlement and related services for domestic and cross-border transactions covering bonds, equities and investment funds. The total value of transactions settled by the Euroclear group is in excess of EUR 450 trillion.

Our real-time DVP settlement and wholesale custody services are complemented by a portfolio of settlement-integrated securities lending and collateral management securities, including triparty repo, triparty securities lending, triparty secured loans and triparty derivatives support. These services enable both collateral givers and takers to outsource the management of their transactions to us as a neutral agent, with the added benefit of comprehensive risk management, automated collateral allocations/substitutions and seamless straight-through processing.

With daily triparty outstanding of more than EUR 300 billion, Euroclear Bank offers access to the widest range of counterparties across multiple products and asset classes.

For further information, please visit our website at www.euroclear.com.

Clearstream

Clearstream is the premier international settlement and custody organisation offering a comprehensive service covering both domestic and internationally traded bonds, equities and investment funds.

Clearstream is a fully integrated part of Deutsche Börse Group, the pre-eminent full service provider for the securities industry. The Group offers a low-cost securities straight-through processing chain from order capture to custody both for securities and derivatives markets.

More than 2,500 customers – banks, custodians and broker/dealers – in over 100 countries are connected to Clearstream's global network.

Clearstream's high quality services are reflected in the positive feedback received from its customers. In the 2006 industry survey, conducted by Global Custodian magazine, Clearstream received a top rated ranking for the third consecutive year. In the magazine's annual Tri-Party Securities Financing survey, it was also rated as Europe's best provider of Tri-Party Repo services to the international securities market in five of the last six years.

Clearstream serves customers from business centres in Luxembourg and Frankfurt, as well as representative offices in Dubai, Hong Kong, London, New York, Singapore and Tokyo.

ICAP

ICAP is the world's largest voice and electronic interdealer broker with a daily average transaction volume in excess of \$1.2 trillion, 60% of which is electronic. The Group is active in the wholesale markets in interest rates, credit, energy, foreign exchange, equity derivatives and emerging markets.

ICAP provides a specialist intermediary broking services to commercial banks and investment banks in the wholesale financial markets. ICAP offers banks significant economies of scale in price discovery by having a number of staff covering each product and in constant contact with a range of counterparties.

ICAP has created a powerful combination: the world's largest voice and electronic interdealer broker. There is growing demand for electronic broking of liquid products, which is totally complementary to voice broking of more bespoke, less liquid products. The majority of the markets in which ICAP operates rely on, and will continue to rely on, voice broking and in most markets combines voice and/or electronic access to a common pool of liquidity. This hybrid solution provides customers with both voice support and electronic execution.

ABN AMRO

ABN AMRO is a leading international bank with total assets of EUR 987 bln (as at 31 December 2006). It has more than 4,500 branches in 53 countries, and has a staff of more than 105,000 full-time equivalents worldwide.

ABN AMRO is one of the leading players in the European financing markets, ranked 7th of 77 in Europe in the latest International Capital Market Association (ICMA) survey for fixed income. Along with the bank's prominent position in the Government bond, credit and derivative markets, ABN AMRO's European Repo business offers clients unrivalled global access to shorter term bond financing and cash investment.

EUREX

Eurex Repo® (www.eurexrepo.com) is a leading provider of integrated electronic markets in the international secured funding business since 1999. It operates repo markets in Euro and Swiss francs with 180 banks from 9 countries actively participating, including official institutions like the German Finance Agency or Swiss National Bank SNB.

Eurex Repo offers electronic repo trading with seamless straight-through-processing from trading to clearing, collateral management settlement and custody. Eurex Repo constantly improves its products and services in line with the growing market

demand for secured (collateralized) funding. Its latest innovation is the Euro GC Pooling® product launched in March 2005. It marks a cornerstone in automated Euro cash funding through the central counterparty of Eurex Clearing, collateralized with over 8.000 ECB-eligible fixed-income securities, automatically allocated out of a General Collateral Basket at Clearstream Banking.

The future belongs to innovative electronic market places, which are bound to gain an ever increasing market share – at the expense of OTC telephone trading and broking. Eurex Repo is the answer to your successful positioning in the financial market place of tomorrow.

Eurex Repo is a 100% subsidiary of Eurex, the worlds leading derivative exchange.

Wednesday, May 23

08:00	start of registration		
09:00	Konstantin Volkov	President, NSMA	Welcome to delegates from the host(s)
09:10	Godfried de Vidts	Chairman of the ERC	Welcome to delegates from the ERC
09:25	Alexey Akinshin	Chairman of Russian Repo Council	Welcome to delegates from the Russian Repo Council
09:30	Christian Hellmund	ICMA	Architecture of ICMA's General Master Repurchase Agreement
10:00	Maria Koudriavtseva	NSMA	Architecture of NSMA's General Repo Agreement
10:30	coffee		
10:50	Richard Comotto	ICMA Centre	The operational & legal structure of repo
11:50	Richard Comotto	ICMA Centre	Repurchase agreements versus sell/buy-backs
12:50	lunch		
14:00	Claudia Schindler	Bayerische Hypo- und Vereinsbank AG	Initial margins, repricing, marking to market & margin maintenance
14:35	Eduard Cia	Bayerische Hypo- und Vereinsbank AG	Fails
15:10	coffee		
15:30	Richard Comotto	ICMA Centre	Repo & bonds
16:10	Richard Comotto	ICMA Centre	Repo \$ swaps
16:50	adjourn		

Thursday, May 24

08:00	coffee		
09:00	Godfried de Vidts	ICAP, chairman of the ERC	The infrastructure of the repo market
09:30	Igor Marich	MICEX	Clearing & settlement of repo & bonds in Russia
10:00	coffee		
10:20	Olivier Grimonpont	Euroclear	The mechanics of triparty repo
10:55	Jean-Robert Wilkin	Clearstream	Market use of triparty repo
11:30	Simon Parkins	BNP Paribas	Short selling & specials trading
12:10	lunch		
13:20	Rafy Kouyoumjian	Normura	Credit repo
14:00	Stefaan Van de Mosselaer	Fortis Bank	Equity repo
14:30	coffee		
14:50	David Roberts	Royal Bank of Scotland	Accounting for repo
15:25	Simon Tims	UBS	Securities financing & basel II
15:55	Richard Comotto	ICMA centre	Conclusion
16:00	Godfried de Vidts	ICAP, chairman of the ERC	Certificate ceremony
16:45	Finish		