

INFORMATION MEMORANDUM

Information on Set up/Modification/Deletion of User IDs in the Eurex[®] System for Algorithmic Trading, Quote Machine, Electronic Eye and Trade Engine



Quote Machine (unique TraderSubgroup: QMA*)

Quote Machines are automatic quoting systems for options and futures. Based on price information and additional parameters which the exchange participant will determine quotes are generated automatically and routed to the trading system of the Eurex Exchanges via the programmable interfaces of the Eurex Exchanges. Such orders are generally of the order type "quote". Manual interference of the authorized responsible and admitted trader has not been provided for. Its sole responsibility is to set parameters for the Quote Machines.

Electronic Eye (unique TraderSubgroup: EEA*)

Electronic Eyes are computer programs which continually receive from the computing system of the Eurex Exchanges and evaluate market prices from products traded at the Eurex Exchanges. If the price of an incoming order or quote received by an Electronic Eye is within a bandwidth previously defined by an exchange participant, the Electronic Eye automatically generates an order which is routed to the trading system of the Eurex Exchanges via the programmable interfaces of the Eurex Exchanges so that it can be executed. Such orders are generally IOC/FOK orders, since upon non-execution, it is not in the interest of the exchange participant to have the orders remain in the order book. Manual interference of the authorized responsible and admitted trader has not been provided for. Its sole responsibility is to set parameters for the Electronic Eye.

Algorithmic Trading Engine (unique TraderSubgroup: ATE*)

Algorithmic Trading Engines are computer programs which allow automated order entry into the trading system of the Eurex Exchanges based on predefined quantitative models, whereby manual interference of the admitted trader has not been provided for. Source for the generated orders are usually historic and current market data that are valued and evaluated within the closed system and converted into an order entry. Such orders are generally not IOC/FOK orders. Algorithmic Trading Engines do not react to price changes as an Electronic Eye would do, since the underlying model must contain both historical and current market data.

Trade Engine (unique TraderSubgroup: QME*)

Trade Engines are computer programs that combine the functionality of both Electronic Eye and Quote Machine. At the same time, they do not have the same functionality as the Algorithmic Trading Engines.

*Eurex US based clients have to replace the first letter with an U (e.g. UMA, UEA, UTE, UME)