



eurex clearing circular 009/17

Date: 26 January 2017
Recipients: All Clearing Members, Basic Clearing Members, FCM Clients, Non-Clearing Members and Registered Customers of Eurex Clearing AG and Vendors
Authorized by: Heike Eckert

Consultation on changes or amendments of Special Provisions in the Clearing Conditions of Eurex Clearing AG

Contact: Your Clearing Key Account Manager

Content may be most important for:

➡ All departments

Attachments:

1. Amended sections of the Clearing Conditions of Eurex Clearing AG
2. Form for appointment of individuals entitled to submit comments

Summary:

To prepare for the planned extension of clearing services to

- FX Rolling Spot Futures

changes or amendments to the Clearing Conditions of Eurex Clearing AG (Clearing Conditions) are required.

The planned changes or amendments fall within the scope of Special Provisions and hence are subject to a Consultation process.

The Consultation will commence on **27 January 2017** and shall end on **26 February 2017** at midnight.

The amended sections of the Clearing Conditions, as decided by the Executive Board of Eurex Clearing AG, are attached to this circular.

**Consultation on changes or amendments of Special Provisions
in the Clearing Conditions of Eurex Clearing AG**

To prepare for the planned extension of clearing services to

- FX Rolling Spot Futures

changes or amendments to the Clearing Conditions of Eurex Clearing AG (Clearing Conditions) are required.

Eurex Clearing has decided to change or amend Special Provisions in the Clearing Conditions, which requires a Consultation pursuant to Chapter I Part 1 Number 17.3 of the Clearing Conditions.

Such Consultation will commence on **27 January 2017** and shall end on **26 February 2017** at midnight (Consultation Period).

Eurex Clearing herewith invites all Affected Customers to submit comments on the proposed changes or amendments of Special Provisions (see amended sections in Attachment 1 to this circular) within the Consultation Period.

Such Consultation Period will be immediately followed by a Regular Notification Period of 15 business days, after which the proposed changes or amendments will come into effect on **21 March 2017**, provided that in total no more than two Affected Customers request a Prolonged Notification Period (three months).

If Eurex Clearing receives such request for a Prolonged Notification Period from more than two Affected Customers during the Consultation, Eurex Clearing will notify all affected parties promptly upon the receipt of such requests in an additional electronic circular.

Terms used and not otherwise defined in this circular shall have the meanings ascribed to them in the Clearing Conditions.

Key aspects of the changes to the Special Provisions for FX Rolling Spot Futures

In the event of a default of a Clearing Member active in FX Rolling Spot Futures (hereafter: FX RSF), Eurex Clearing must intervene in the rolling operation of the market to maintain market integrity.

The first element of the Default Management Process for FX RSF is a Voluntary Period. During the Voluntary Period, Eurex Clearing provides two sorts of information to the non-defaulting FX RSF market participants:

- a) Overview of the defaulted FX RSF positions
- b) Customised information to what extent each non-defaulting Clearing Member or client would be affected from position allocation if the Market Integrity Process (MIP) is performed.

During the Voluntary Period, non-defaulting Clearing Members can show their willingness towards Eurex Clearing to voluntarily take up parts of or the entire defaulted FX RSF portfolio. Eurex Clearing is not obliged to accept such offers. If the entire defaulted FX RSF portfolio is taken up by the non-defaulting Clearing Members or clients by the end of the Voluntary Period, Eurex Clearing will not run the announced Market Integrity Process.

However, if not the entire defaulted FX RSF portfolio is taken up by non-defaulting Clearing Members or clients during the Voluntary Period, Eurex Clearing will execute the Market Integrity Process in order to allocate the remainder to the position accounts of those non-defaulting Clearing Members or clients holding the opposite FX RSF positions in the respective products. The result of such allocation is the termination and cash settlement of the respective FX RSF positions.

When a Market Integrity Process is performed, the following allocation priority scheme applies:

- **First priority: Allocation to FX Liquidity Providers**

Eurex Clearing will allocate open FX RSF positions to FX RSF participants who qualify as FX Liquidity Providers on Eurex Deutschland and Eurex Zürich, if any, as long as open positions in FX RSF positions are available.

- **Second priority: Allocation to holders of positions on Principal position accounts**

Open FX RSF positions which could not be allocated to FX Liquidity Providers will be allocated by Eurex Clearing to FX RSF participants who hold positions on Principal position accounts.

- **Third priority: Allocation to holders of Agent position accounts**

Open FX RSF positions which could not be allocated to FX RSF participants which hold Principal position accounts will be allocated by Eurex Clearing to FX RSF participants (i) for whom Agent position accounts were opened and (ii) whose FX RSF positions are not subject to the porting mechanism according to the Elementary Clearing Model provisions, the Individual Clearing Model provisions or the Net Omnibus Clearing Modell provisions.

- **Fourth priority: Allocation to holders of Agent position accounts (ported positions)**

Open FX RSF positions which could not be allocated within the first three allocation layers will be allocated by Eurex Clearing to FX RSF Participants (i) for whom Agent position accounts were opened and (ii) whose FX RSF positions are subject to aforementioned porting mechanism.

Allocated FX RSF positions will close out existing opposite positions in the position accounts of the affected non-defaulting Clearing Members or clients per end of day.

At the end of the Market Integrity Process, non-defaulting Clearing Members and clients have absorbed the entire defaulted FX RSF portfolio and Eurex Clearing as the Central Counterparty will be balanced again.

To reflect the adjustments described above, the following provisions in the Clearing Conditions shall be amended:

- Chapter II Part 2 Number 2.13.5
- Chapter II Part 2 Number 2.13.6
- Chapter II Part 2 Number 2.13.7

In the Consultation period, comments on proposed changes or amendments shall be submitted through a web-based commenting service provided by Eurex Clearing, only. Any Affected Customer intending to submit comments shall appoint one or more individuals for the Consultation who may submit comments on behalf of the respective Affected Customer using the form in Attachment 2 to this circular. The form has to be duly signed and returned to Eurex Clearing via e-mail to SpecialProvisions@eurexclearing.com in order to obtain a User ID and Password together with a link for accessing the web-based commenting service.

To the extent Eurex Clearing decides to implement any comments of Affected Customers, the so-amended version will be published again applying the initial notification period, i.e. either the Regular Notification or the Prolonged Notification Period, as applicable.

When the amended Clearing Conditions come into effect, they will be available for download on the Eurex Clearing website www.eurexclearing.com under the following link:

Resources > Rules and Regulations > Clearing Conditions

If you have any questions or require further information, please contact your Clearing Key Account Manager.

26 January 2017

Chapter II of the Clearing Conditions of Eurex Clearing AG

Transactions Concluded at Eurex Deutschland and Eurex Zürich

(Eurex Exchanges)

As of 21.03.2017

AMENDMENTS ARE MARKED AS FOLLOWS:

INSERTIONS ARE UNDERLINED

DELETIONS ARE CROSSED OUT

Preamble

This Chapter II forms an integral part of the Clearing Conditions of Eurex Clearing AG and respective references in other rules or documents to the Clearing Conditions shall also apply to this Chapter II.

In accordance with Chapter I Part 2 Number 2.1.1, Chapter I together with this Chapter II and all references to other Chapters or Annexes of the Clearing Conditions shall apply for all Clearing Members (including FCM Clearing Members) with a respective Clearing License, their Non-Clearing Members, Registered Customers, ICM Clients and FCM Clients as well as all Interim Participants (if applicable).

[...]

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| Attachment 1 to Eurex Clearing circular 009/17 | Eurex04e |
| Clearing Conditions of Eurex Clearing AG | As of 21.03.2017 |
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Part 2 Clearing of Futures Contracts

The following provisions shall apply to the Clearing of futures contract transactions specified in Number 1 of the Contract Specifications for Futures Contracts and Options Contracts at Eurex Deutschland and Eurex Zürich ("**Eurex Contract Specifications**").

2.1 General Provisions

[...]

[...]

2.1.2 Daily Settlement Price

[...]

(5) Reference times

The scheduled reference times for the determination of the Daily Settlement Prices for the respective Contracts are set out in the table below.

[...]

| Contract | Reference Time (CET) |
|---|---|
| All other Index Dividend Futures | 17:30 |
| All other Index-Futures | 17:30 |
| CECE® EUR-Futures | 17:10 |
| Commodity Index Futures | 17:30 |
| CONF-Futures | 17:00 |
| ETC Futures | 17:30 |
| Eurex -KOSPI-Daily Futures Contracts | 17:30 |
| Fixed Income Futures (denominated in Euro) | 17:15 |
| Futures Contracts with assigned group ID BR01, CA01, CA02, US01 or US02 | 17:45 |
| FX Futures | 17:30 (15:00 on every expiry day of a series / third Wednesday of the expiry month for the expiring contract) |

| Contract | Reference Time (CET) |
|--|-----------------------------|
| <u>FX Rolling Spot Futures</u> | <u>17:00</u> |
| GMEX IRS Constant Maturity Futures | 18:00 |
| Gold Futures | 17:30 |
| Index Dividend Futures | 17:30 |
| Money Market Futures (FEO1 AND FEU3) | 17:15 |
| FLIC | 18:00 |
| RDX [®] EUR Futures, RDX [®] USD Futures | 16:30 |
| Silver Futures | 17:30 |
| SMI [®] Index Dividend Futures | 17:20 |
| SMI [®] -Futures, SLI [®] Futures | 17:20 |
| SMIM [®] Futures | 17:20 |
| Variance futures | 17:50 |
| VSTOXX [®] -Mini-Futures | 17:30 |
| TA-25 Futures | 16:35 |
| Interest Rate Swap Futures Contracts | 17:15 |

[...]

2.13 Clearing of FX Rolling Spot Futures

The following provisions shall apply to the Clearing of FX Rolling Spot Futures contract transactions specified in Number 1.24 of the Eurex Contract Specifications.

2.13.1 Subject Matter of the Contract

(1) An FX Rolling Spot Futures Contract is a futures contract on the purchase of units of a specified base currency against payment of units of a specified quote currency which continuously maintains its maturity. Due to the perpetual nature of the FX Rolling Spot Futures Contracts, these contracts do not expire unless they are terminated by Eurex Clearing AG either according to Number 2.13.6 as a result of a market integrity process (“MIP”), or according to Number 2.13.7 as a result of the default management process (“DMP”), or according to Number 2.13.5 if such FX Rolling Spot Futures shall for any reason no longer be admitted for trading at the Eurex Exchanges.

(2) In order to reflect the perpetual nature of FX Rolling Spot Futures, Eurex Clearing AG performs a daily swap point adjustment (“**Swap Point Adjustment**”). Such Swap Point Adjustment comprises a rebooking of all FX Rolling Spot Futures by using daily settlement prices according to Number 2.13.2 and re-opening prices according to Number 2.13.3. The Swap Point Adjustment results from the automatic close out of all existing FX Rolling Spot Futures at the settlement price and the re-opening thereof at the associated re-opening price. The trades required for such Swap Point Adjustment are processed at 17:00 CET of the next Business Day.

(3) Due to the perpetual nature of the FX Rolling Spot Futures there will be no final settlement price.

2.13.2 Daily Settlement Price

The daily settlement price for the FX Rolling Spot Futures shall be determined by the STOXX FX Rolling Spot Mid Rate calculated by Stoxx Ltd. and determined at the reference time (as defined in Number 2.1.1 Paragraph (5)) on a daily basis.

In case the determination of the daily settlement price according to aforementioned regulations is not possible or if the price so determined does not reflect the true market conditions, Eurex Clearing AG may determine the settlement price at its equitable discretion.

2.13.3 Re-Opening Price

The re-opening price of a FX Rolling Spot Future shall be determined by the STOXX FX Rolling Spot Tomorrow Next Open Rate calculated by Stoxx Ltd. and determined at the Reference Time (as defined in Number 2.1.1 Paragraph (5)) on a daily basis.

In case the determination of the re-opening price according to aforementioned regulations is not possible or if the price so determined does not reflect the true market conditions, Eurex Clearing AG may determine the re-opening price at its equitable discretion.

2.13.4 Margin Requirements

(1) The applicable Margin Type shall be the Initial Margin in accordance with the Eurex Clearing Prisma methodology.

(2) The Variation Margin for FX Rolling Spot Futures shall reflect the Swap Point Adjustment. Its calculation therefore reflects the position opening conducted at the re-opening price at 17:00 CET of each Business Day.

2.13.5 Termination of FX Rolling Spot Futures by Eurex Clearing AG in case FX Rolling Spot Futures will no longer be admitted for trading at the Eurex Exchanges

Eurex Clearing AG may terminate both FX Rolling Spot Futures entered into between itself and a Clearing Member and the related FX Rolling Spot Futures with identical terms entered into between such Clearing Member and a Non-Clearing Member/Registered Customer (Clearing Member, Non-Clearing Member and Registered Customer which are

parties to FX Rolling Spot Futures are hereinafter referred to as “FX Rolling Spot Participants”) by giving notice to such Clearing Member specifying the day and time on which the termination shall be effective, if the relevant FX Rolling Spot Futures shall for any reason no longer be admitted for trading at the Eurex Exchanges. Non-Clearing Member and Registered Customer irrevocably authorise their Clearing Member to receive such termination notices (*Empfangsvollmacht*). Upon such termination, all FX Rolling Spot Futures entered into between Eurex Clearing AG and the respective Clearing Member shall be settled in cash. The Executive Board of Eurex Clearing AG shall determine the daily settlement price within its reasonable discretion.

2.13.6 Termination of FX Rolling Spot Futures by Eurex Clearing AG upon Request of a FX Rolling Spot Participant

- (1) A Clearing Member may request from Eurex Clearing AG that Eurex Clearing AG terminates its FX Rolling Spot Futures entered into with such Clearing Member which qualify as Own Transactions according to the MIP as described in this Number 2.13.6, and a Non-Clearing Member/Registered Customer may request from Eurex Clearing AG that Eurex Clearing AG terminates its FX Rolling Spot Futures entered into with its Clearing Member and the FX Rolling Spot Futures with identical terms entered into between such Clearing Member and Eurex Clearing AG (such requests hereinafter each referred to as a “FX MIP Request”), provided that the market for FX Rolling Spot Futures on the orderbook of the Eurex Exchanges (“Eurex Orderbook”) do not provide for any or sufficient liquidity to close their FX Rolling Spot Futures positions in whole or in part.
- (2) A FX MIP Request is only considered by Eurex Clearing AG if the average daily trading volume of the last 30 Business Days in the FX Rolling Spot Future for which the MIP is requested is below 50 contracts and in case of the FX Rolling Spot Future for the currency pair EUR/USD, if the average daily trading volume is below 100 contracts.
- (3) A termination of FX Rolling Spot Futures for which such termination was requested for according to this Number 2.13.6 will always also result in the termination of FX Rolling Spot Futures between different parties with reciprocal terms to the FX Rolling Spot Futures the termination was requested for (both between Eurex Clearing AG and Clearing Members and between Clearing Members and the Non-Clearing Members/Registered Customers, if any). A MIP may affect every FX Rolling Spot Participant (not only Clearing Members).
- (4) Adequate Attempts to Close of FX Rolling Spot Futures

An FX MIP Request will only be considered if the requesting FX Rolling Spot Participant has undertaken adequate attempts to close the respective FX Rolling Spot Futures before filing a FX MIP Request:

- a) The FX Rolling Spot Participants must place orders for FX Rolling Spot Futures with reciprocal terms to those it wishes to close in the Eurex Orderbook. Such orders must be

- (i) unmatched for three consecutive Business Days prior to the Business Day the FX MIP Request is filed;
 - (ii) unmatched for at least eight hours on each Business Day referred to in Number 2.13.6 Paragraph (4) a) (i);
 - (iii) at a rate 10 % better than the daily spot closing price (bid price at least 10 % higher or ask price at least 10 % lower than the daily spot close price). In case the daily spot closing price is not yet available then the previous day's spot close price shall be used as reference.
 - (iv) eligible to close all of the FX Rolling Spot Futures of the FX Rolling Spot Participant if the total number of such FX Rolling Spot Futures is below 1,000 or 1,000, or, if it is above 1,000 FX Rolling Spot Futures, at least 1,000 FX Rolling Spot Futures; and
- b) the FX Rolling Spot Participant must request for quotes on the Eurex Exchanges in order to close the FX Rolling Spot Futures they wish to close. Such request for quotes must
- (i) take place at least once per day for at least three consecutive Business Days;
 - (ii) be eligible to close all of the FX Rolling Spot Futures of the respective tenor of the FX Rolling Spot Participant if the total number of such FX Rolling Spot Futures is below 1,000 or 1,000, or, if it is above 1,000 FX Rolling Spot Futures, at least 1,000 FX Rolling Spot Futures.

As the FX spot price may be subject to changes over the course of a Business Day, FX Rolling Spot Participants are permitted to cancel open FX Rolling Spot Future orders and re-submit new FX Rolling Spot Future orders without undue delay, and, when doing so, are deemed to fulfil the requirements of Number 2.13.6 Paragraph (4) a) regarding time, provided that the total time such orders are open meets such requirements.

(5) FX MIP Request

If adequate attempts to close FX Rolling Spot Futures as specified in Number 2.13.6 Paragraph (4) did not result in the close of more than 5 per cent of the FX Rolling Spot Futures the orders and quotes specified in Number 2.13.6 Paragraph (5) a) and b) were related to, the FX Rolling Spot Participant may file a FX MIP Request via email using the FX MIP Request form available on the website of Eurex Clearing AG (www.eurexclearing.com). Such FX MIP Request will only be considered if the requesting FX Rolling Spot Participant provides Eurex Clearing AG with the following information in such form:

- a) identity of the FX Rolling Spot Participant filing the FX MIP Request;
- b) identity of its Clearing Member, if any;

c) the number and details of FX Rolling Spot Futures that the FX Rolling Spot Participant filing the FX MIP Request wishes to terminate.

(6) First FX MIP Assessment

Eurex Clearing AG will assess whether all requirements of Number 2.13.6 Paragraph (4) and (5) are fulfilled (“**First FX MIP Assessment**”). If Eurex Clearing AG receives a FX MIP Request prior to 2:00 pm CET on a Business Day, such assessment will be completed on or before 6:00 pm CET that Business Day. If Eurex Clearing AG receives the FX MIP Request after 2:00 pm CET on a Business Day, such assessment will be completed by 12:00 pm CET on the following Business Day. Upon completion of the First FX MIP Assessment, Eurex Clearing AG will notify the applicant FX Rolling Spot Participant and, if applicable, his Clearing Member, by email of the result of such assessment. If Eurex Clearing AG comes to the conclusion that one of the requirements of Number 2.13.6 Paragraph (4) and (5) has not been fulfilled, it will provide reasons for its decision.

(7) First FX MIP Announcement

If Eurex Clearing AG finds that all requirements of Number 2.13.6 Paragraph (4) and (5) are fulfilled, it will publically announce on its website (www.eurexclearing.com) that a FX MIP Request has been filed and determine the point in time the FX MIP is scheduled to take place (“**First FX MIP Announcement**”) on the Business Day following the day of the First FX MIP Assessment at the latest. The FX MIP shall take place on the fifth Business Day after the Business Day of the First FX MIP Announcement. However, Eurex Clearing AG may at its sole discretion schedule a later point in time, if it deems it necessary to do so. In such First FX MIP Announcement, Eurex Clearing AG will disclose the FX Rolling Spot Futures which are subject to the FX MIP but neither the affected buy side or sell side nor the identity of the FX Rolling Spot Participant which has filed the FX MIP Request.

(8) Obligations of FX Rolling Spot Participants filing a FX MIP Request

a) Beginning with the earlier of

(i) two hours following the First FX MIP Announcement or

(ii) the end of the Business Day on which the First FX MIP Announcement took place

and until the end of the Business Day prior to the Business Day on which the FX MIP is scheduled to take place, the FX Rolling Spot Participant which has filed the FX MIP Request is obliged to fulfil the requirements of Number 2.13.6 Paragraph (4) which applies *mutatis mutandis*.

b) Such FX Rolling Spot Participant further has to confirm vis-à-vis Eurex Clearing AG via email using the FX MIP Request form available on the website of Eurex Clearing AG (www.eurexclearing.com) that it wishes to proceed with the FX MIP and the number of FX Rolling Spot Futures that it wishes to

terminate by the FX MIP (limited by the number stated in the FX MIP Request and taking into account the FX Rolling Spot Futures which have been closed by means of previous inverse transactions by the latest on 07:00 pm CET on the Business Day prior to the Business Day on which the FX MIP is scheduled. Failure to make such confirmation in time will result in the rejection of the FX MIP Request. A rejected FX MIP Request may not be resumed by a FX Rolling Spot Participant.

(9) Second FX MIP Assessment

As soon as and only if the FX Rolling Spot Participant which has filed the FX MIP Request has made the confirmation referred to in Number 2.13.6 Paragraph (8) b), Eurex Clearing AG will assess whether such FX Rolling Spot Participant has fulfilled all requirements of Number 2.13.6 Paragraph (8) a) (“**Second FX MIP Assessment**”). Eurex Clearing AG will notify the FX Rolling Spot Participant and, if applicable, its Clearing Member, by email of the result thereof.

(10) Second FX MIP Announcement

- a) If the requirements of Number 2.13.6 Paragraph (8) have not been fulfilled, Eurex Clearing will announce this on its website (www.eurexclearing.com). Upon such announcement, the FX MIP Request will be rejected.
- b) If the requirements of Number 2.13.6 Paragraph (8) have been fulfilled, Eurex Clearing will announce on its website (www.eurexclearing.com) the number of FX Rolling Spot Futures and the respective side of such FX Rolling Spot Future (buy side/sell side) that will be subject to termination due to the FX MIP.

Such announcements will normally be made no later than 09:00 pm CET on the Business Day prior to the Business Day on which the FX MIP is scheduled. Eurex Clearing AG reserves the right to choose a later point in time for such announcements if it deems it necessary to do so due to technical reasons.

(11) Notification to the FX Rolling Spot Participants affected by the FX MIP

Eurex Clearing AG will notify the FX Rolling Spot Participants (and their Clearing Members, if any) whose FX Rolling Spot Futures are subject to terminations due to the FX MIP of the amount of FX Rolling Spot Futures that will be terminated by means of the FX MIP via email within 30 minutes after the commencement of trading at the Eurex Exchanges on the Business Day on which the FX MIP is scheduled. The FX MIP will subsequently be executed on this Business Day based on the FX Rolling Spot Futures positions as of the end of trading on the Eurex Exchanges on the previous Business Day.

(12) Attribution rules

FX Rolling Spot Futures that will be terminated as a result of the FX MIP will be identified according to the attribution rules pursuant to Number 2.13.7 Paragraph (4) c) which apply *mutatis mutandis*.

(13) Withdrawal of a FX MIP Request

FX Rolling Spot Participant which has filed the FX MIP Request may withdraw such request for any reason at any time, provided that it has not provided the confirmation referred to in Number 2.13.6 Paragraph (8) b). Following the submission of such confirmation, a withdrawal of the FX MIP Request is not possible.

2.13.7 Default Management Process for FX Rolling Spot Futures

(1) In deviation from the Default Management Process described in Chapter I Part 1 Number 7.5, the following DMP shall apply with respect to FX Rolling Spot Futures (“FX DMP”) in case of a Termination pursuant to Chapter I Part 1 Number 7 with respect to a Clearing Member. Any reference in the General Clearing Provisions, the Elementary Clearing Model Provisions, the Individual Clearing Model Provisions and the Net Omnibus Clearing Model Provisions to Chapter I Part 1 Number 7.5 shall be construed as a reference to Chapter II Part 2 Number 2.13.7, taking into account the calculation of the daily settlement prices according to Number 2.13.2, the re-opening prices according to Number 2.13.3 and the margin requirements according to Number 2.13.4.

(2) The FX DMP consists of two periods, the trading period (“FX DMP Trading Period”) and, if required, the attribution period (“FX DMP Attribution Period”). During the FX DMP Trading Period FX Rolling Spot Participants may choose to trade in FX Rolling Spot Futures. During the FX DMP Attribution Period, FX Rolling Spot Futures entered into between Eurex Clearing AG and Clearing Members other than the defaulting Clearing Member with reciprocal terms to those entered into between Eurex Clearing AG and the defaulting Clearing Member may be subject to a termination according to the attribution rules specified in Number 2.13.7 Paragraph (4) c). The same applies to FX Rolling Spot Futures between Clearing Members and Non-Clearing Members/Registered Customers with identical terms.

(3) FX DMP Trading Period

a) FX DMP Trading Notification

Upon the occurrence of a Termination pursuant to Chapter I Part 1 Number 7 with respect to a Clearing Member, Eurex Clearing AG

(i) notifies all FX Rolling Spot Participants of the FX DMP;

(ii) provides them (except for the defaulting Clearing Member) with a position report of all FX Rolling Spot Futures of the defaulting Clearing Member vis-à-vis Eurex Clearing AG;

(iii) provides them with customized information regarding the amount of FX Rolling Spot Futures they entered into with Eurex Clearing AG/their Clearing Member which will be terminated based on the attribution rules according to Number 2.13.7 Paragraph (4) c), if no FX Rolling Spot Futures with identical terms to those of the defaulting Clearing Member vis-à-vis

Eurex Clearing AG (which were subject to a Termination according to Chapter I, Part 1 Number 7) are entered into during the FX DMP Trading Period; and

(iv) determines the end of the FX DMP Trading Period at its reasonable discretion ("**FX DMP Trading Notification**").

b) FX Volunteer Participants

Based on such FX DMP Trading Notification, all FX Rolling Spot Participants other than the defaulting Clearing Member may propose to enter into FX Rolling Spot Futures with identical terms to those of the defaulting Clearing Member vis-à-vis Eurex Clearing AG (which were subject to a Termination according to Chapter I Part 1 Number 7) during the FX DMP Trading Period by giving notice to Eurex Clearing AG via email ("**FX Proposals**") (FX Rolling Spot Participants providing such FX Proposals to Eurex Clearing AG are hereinafter referred to as "**FX Volunteer Participants**"). It is possible that not all FX Proposals will result in binding transactions (both between Eurex Clearing AG and a Clearing Member and between such Clearing Member and a Non-Clearing Member/Registered Customer, if any). Following the receipt of FX Proposals Eurex Clearing AG will notify FX Volunteer Participants of the amount and tenor (as specified in the Eurex Contract Specifications) of the FX Rolling Spot Futures to be possibly entered into by them. The FX Volunteer Participant subsequently confirms vis-à-vis Eurex Clearing AG via email the amount and tenor of FX Rolling Spot Futures they would like to enter into, either as a Non-Clearing Member/Registered Customer with their Clearing Member which results in FX Rolling Spot Futures with identical terms between such Clearing Member and Eurex Clearing AG, or as a Clearing Member with Eurex Clearing AG. Upon receipt of such confirmation by Eurex Clearing AG, the respective FX Rolling Spot Futures shall be binding.

(4) FX DMP Attribution Period and FX DMP Attribution Rules

- a) Following the end of the FX DMP Trading Period as notified by Eurex Clearing AG pursuant to Number 2.13.7 Paragraph (3) b) Eurex Clearing AG provides all FX Rolling Spot Participants whose FX Rolling Spot Futures will in whole or part be subject to a termination pursuant to the FX DMP Attribution Rules specified in Number 2.13.7 Paragraph 4) c) with a position report including all FX Rolling Spot Futures of the defaulting Clearing Member vis-à-vis Eurex Clearing AG to which no FX Rolling Spot Futures with identical terms resulting from the FX DMP Trading Period relate to ("**Open FX Rolling Spot Futures**").
- b) Such Open FX Rolling Spot Futures will be attributed to FX Rolling Spot Participants which have entered into FX Rolling Spot Futures with reciprocal terms with either their Clearing Member or Eurex Clearing AG according to the following attribution rules and based on the positions of FX Rolling Spot Participants at the end of the FX DMP Trading Period as specified by Eurex

Clearing according to Number 2.13.7 Paragraph (3) a) (iv). The result of such attribution is the termination of FX Rolling Spot Futures entered into between Eurex Clearing AG and a Clearing Member (and the related FX Rolling Spot Futures with identical terms between such Clearing Member and a Non-Clearing Member/Registered Customer) with reciprocal terms to the attributed FX Rolling Spot Futures between the defaulting Clearing Member and Eurex Clearing AG (which have been terminated before due to a Termination according to Chapter I, Part 1 Number 7), each with effect from the point in time of the Termination of the FX Rolling Spot Futures between Eurex Clearing AG and the defaulting Clearing Member. FX Rolling Spot Futures between Eurex Clearing AG and Clearing Members which have been terminated due to the FX DMP according to Number 2.13.7 will be cash settled.

c) FX DMP Attribution Rules

Open FX Rolling Spot Futures will be attributed in the following order:

(i) FX Liquidity Provider Attribution

Eurex Clearing AG will attribute Open FX Rolling Spot Futures to FX Rolling Spot Participants which qualify as Market Makers on Eurex Deutschland and Eurex Zurich ("**FX Liquidity Providers**"), if any, as long as Open FX Rolling Spot Futures are available. Upon such attribution and notification thereof to the respective FX Liquidity Provider by Eurex Clearing AG, the FX Rolling Spot Futures entered into between such FX Liquidity Providers and Eurex Clearing AG which have reciprocal terms to those FX Rolling Spot Futures entered into between Eurex Clearing AG and the defaulting Clearing Member, are terminated. A pro rata method applies and calculates the weighted attribution ratio as: Available FX Rolling Spot Futures per account/total available FX Rolling Spot Futures of all accounts of the different FX Liquidity Providers. According to this weighted ratio the amounts to be attributed per account are calculated (round down). If after this calculation due to rounding errors there is still a residual amount left, such residual amount will be attributed randomly amongst the FX Liquidity Providers.

(ii) Attribution to FX Rolling Spot Participants holding FX Rolling Spot Futures on their own account (excluding ported positions)

The Open FX Rolling Spot Futures which could not be attributed according to Number 2.13.7 Paragraph (4) c) (i) will be attributed to FX Rolling Spot Participants which hold FX Rolling Spot Futures on their own account, provided that such FX Rolling Spot Futures are not subject to porting. The procedure set out in Number 2.13.7 Paragraph (4) c) (i) applies *mutatis mutandis*.

(iii) Attribution to FX Rolling Spot Participants holding FX Rolling Spot Futures related to third parties (excluding ported positions)

The Open FX Rolling Spot Futures which could not be attributed according to Number 2.13.7 Paragraph (4) c) (ii) will be attributed to FX Rolling Spot Participants which hold FX Rolling Spot Futures on the account of third parties, provided that such FX Rolling Spot Futures (i) are not subject to porting. The procedure set out in Number 2.13.7 Paragraph (4) c) (i) applies *mutatis mutandis*.

(iv) Attribution to FX Rolling Spot Participants whose FX Rolling Spot Futures are subject to porting

The Open FX Rolling Spot Futures which could not be attributed according to Number 2.13.7 Paragraph (4) c) (iii) will be attributed to FX Rolling Spot Participants whose FX Rolling Spot Futures are subject to porting. The procedure set out in Number 2.13.7 Paragraph (4) c) (i) applies *mutatis mutandis*.

d) Cancellation of MIPs

During the FX DMP any MIP will be cancelled.

2.13.8 Transaction Transfers and Position Transfers

If a transfer of a FX Rolling Spot Future fulfils the requirements outlined in Chapter II Part 1 Number 1.3.3 and is carried out on one of the two Business Days following the Business Day on which the respective FX Rolling Spot Future was entered into, the Variation Margin for such FX Rolling Spot Future shall not reflect the Daily Swap Point Adjustment which is taking place on one of the two Business Days following the Business Day on which the respective FX Rolling Spot Future was entered into.

- (1) In case the transfer of a FX Rolling Spot Future is carried out on the first Business Day following the Business Day on which the respective FX Rolling Spot Future was entered into, such difference in Variation Margin between the daily settlement price of the Business Day on which the respective FX Rolling Spot Future was entered into and the re-opening price of the following Business Day shall not be transferred to the accepting Clearing Member.
- (2) In case the transfer of FX Rolling Spot Future is carried out on the second Business Day following the Business Day on which the respective FX Rolling Spot Future was entered into, such difference in Variation Margin between the daily settlement price of the Business Day on which the respective FX Rolling Spot Future was entered into and the re-opening price of the following Business Day plus the difference in Variation Margin between the daily settlement price of the following Business Day and the re-opening price of the second following Business Day shall not be transferred to the accepting Clearing Member.

In cases of Number 2.13.8 Paragraphs (1) and (2) Clearing Members involved in such transfer shall settle any differences in Variation Margin bilaterally.