

Eurex Clearing AG
ECAG Rule Certification 007 -19
January 28, 2019

1. The text of the proposed amendments to the Clearing Conditions of Eurex Clearing AG (“Clearing Conditions”) and the FCM Regulations of Eurex Clearing AG (“FCM Regulations”) is appended as Attachment A. Any additions are underlined and any deletions are struck through.
2. The date of intended implementation is February 18, 2019.
3. Attached please find a certification that: (1) these amendments comply with the Commodity Exchange Act (the “Act”), and the Commission’s regulations thereunder; and (2) concurrent with the filing of this submission, Eurex Clearing is posting a copy of this filing to its website at: <http://www.eurexclearing.com/clearing-en/resources/cftc-dco-filing>.
4. A concise explanation and analysis of the operation, purpose, and effect of the amended rule appears below.
5. There were no opposing views expressed regarding these amended rules.
6. Confidential treatment is not requested.

CONCISE EXPLANATION AND ANALYSIS OF THE OPERATION, PURPOSE, AND EFFECT OF THE PROPOSED RULE AND ITS COMPLIANCE WITH APPLICABLE PROVISIONS OF THE ACT, INCLUDING CORE PRINCIPLES AND THE COMMISSION’S REGULATIONS THEREUNDER

Eurex Clearing is proposing amendments to the Clearing Conditions and FCM Regulations to account for the increasing degree of uncertainty Eurex Clearing is facing with respect to cross-border regulation. The proposed amendments will account for the following three trigger events:

1. “Market Disorder Event:” cases in which an international organization/government/authority has taken measures that have, not only temporarily, a material adverse impact on the clearing of transactions;
2. "Impossibility Event“: situations in which the fulfilment of any obligation under any transaction/Clearing Agreement becomes impossible for any reason whatsoever; and
3. "Force Majeure Event“: which covers any failure, which is not only temporary, in discharging any obligations under any transaction/Clearing Agreement provided that such failure arises from events which are beyond Eurex Clearing's or the Clearing Member's reasonable control.

In the event one of these three events occurs, the proposed amendments allow Eurex Clearing to take one of the following three measures by submitting a written notice to the relevant Clearing Member, Basic Clearing Member, or FCM Clearing Member:

1. Any action or measure Eurex Clearing deems necessary to limit any adverse impacts arising from the special event for itself and the Clearing Member;
2. Order the cash settlement of all or specific Transactions as at the last available market or settlement price; or
3. Enter into “Opposite Transactions” corresponding to certain transactions of the Clearing Member and book such opposite transactions on the same transaction account on which the corresponding transaction is booked at a price determined by Eurex Clearing.

These amendments will give Eurex Clearing the necessary toolbox to react to adverse developments in a way that is balanced and economically meaningful for all relevant stakeholders.

Further information regarding the operation, purpose, and effect of the proposed amendments is discussed in the attached Eurex Clearing Circular 007/19, which is appended as Attachment A.

Eurex Clearing has identified the following derivatives clearing organization (“DCO”) Core Principle as potentially being relevant to the above amendments:

1. DCO Core Principle D (Risk Management): The proposed amendments will comply with DCO Core Principle D because the amendments enable Eurex Clearing to take certain measures in response to triggering cross-border events, which will further ensure that Eurex Clearing possesses the ability to manage risks associated with its responsibilities.

CERTIFICATIONS PURSUANT TO SECTION 5c OF THE COMMODITY EXCHANGE ACT, 7
U.S.C. §7a-2 AND COMMODITY FUTURES TRADING COMMISSION RULE 40.6, 17 C.F.R. §40.6

I hereby certify that:

- (1) the amendments comply with the Commodity Exchange Act, and the Commission's regulations thereunder; and
- (2) concurrent with the filing of this submission, Eurex Clearing is posting a copy of this filing to its website at: <http://www.eurexclearing.com/clearing-en/resources/cftc-dco-filing>.



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Dated: January 28, 2019