

Eurex Clearing AG
ECAG Rule Certification 013/18
February 5, 2018

1. The text of the proposed amendments to the Default Management Auction Rules is appended as Attachment A. Any additions are underlined and any deletions are struck through.
2. The date of intended implementation is March 26, 2018.
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 the amendments to introduce clearing and settlement services for OTC FX products (FX Spots, Swaps, and Forwards) and Cross Currency Swaps (XCCY Swaps) (collectively, “OTC Currency Products”). Settlement will be on a net basis at CLS Bank International (US). Under CFTC regulations, XCCY swaps constitute swaps. Eurex Clearing will not offer clearing for XCCY swaps for US Clearing Members or on behalf of US persons at this time, and has amended Chapter I, Part I, No. 1.9 specifically to state that Clearing Members represent and warrant that, if executing XCCY swaps, they reasonably believe they are not US Persons and are not executing on behalf of US person clients or affiliates. Eurex Clearing may offer such clearing in the future and will issue a future circular and new rule amendments, and submit a filing to the Commission pursuant to CFTC Rule 39.5 in that event.

To account for the above introduction, amendments are being proposed for the following sections:

- Chapter I Part 1 Numbers 1.1.2, 1.2.2., 1.2.4, 1.5.2 (Special Provision), 1.9, 3.4.6, 6 (Special Provision), 7.3.3 (Special Provision), 7.5.1 (Special Provision), 7.5.3 (Special Provision), 14.1.2, 17.2.4 (Special Provision), 17.3.2 (Special Provision), Part 2 Numbers 5.1, 5.4, 6.2.1, Part 3 Sub-Part A Numbers 6, 7.2, 11.3.9, 11.4.7, Part 4 Number 6.2.2, 6.3.2, 8.3;
- Chapter VIII Parts 1, 2 (Number 2.2.5 Paragraph (7) (Special Provision), 3 and 4 (Parts 3 and 4 new);
- Appendix 1;
- Appendix 13 (new);
- Default Management Committee Rules (Special Provisions); and

- Default Management Auction Rules (Special Provisions).

The proposed amendments fall within the scope of the Special Provisions of the Clearing Conditions and are thus subject to the consultation process. The consultation will begin on February 2, 2018 and end on March 2, 2018. All affected customers may submit comments during this timeframe. This consultation period will be followed by the regular notification period of 15 business days, after which the proposed amendments will become effective on March 26, 2018, provided that no more than two affected customers request a prolonged notification period.

Further information regarding the operation, purpose, and effect of the proposed amendments is discussed in the attached Eurex Clearing Circular 013/18, 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 C (Participant and Product Eligibility): The proposed amendments will comply with DCO Core Principle C because the amendments introduce clearing for new products, and all products cleared by Eurex Clearing, will continue to be subject to appropriate standards in compliance with this Core Principle.

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>.



By: Eric Seinsheimer

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Dated: February 5, 2018