

Eurex Clearing AG
ECAG Rule Certification 025-20
March 19, 2020

1. The text of the proposed amendments to the Clearing Conditions (“**Clearing Conditions**”) of Eurex Clearing AG (“**Eurex Clearing**”), Price List (“**Price List**”) of Eurex Clearing, and FCM Regulations (“**FCM Regulations**”) of Eurex Clearing is appended as Attachment A. Any additions are underlined and any deletions are struck through.
2. The date of intended implementation is June 1, 2020.
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 following amendments:

1. The proposed amendments to Chapter I (General Provision) and IV (Clearing of Repo Transactions) provide that the maximum amount of the general contractual penalty provision for failed repo transactions will be cut at €25,000. Additionally, the amendments clarify that the contractual penalty will not apply if the failing (Basic) Clearing member is not responsible for such failure and that any amount received by Eurex Clearing as contractual penalty will be deducted from any related potential claim for damages Eurex Clearing may have against the failing (Basic) Clearing Member. Lastly, the amendments clarify that the contractual penalties for failed repo transactions differ from the process for failed GC Pooling Transactions. In addition, the maximum amount of contractual penalties applied for failed GC Pooling Transactions will be reduced from €25,000 to €15,000. For avoidance of doubt, Eurex Clearing clears repo transactions outside the scope of its DCO license, which applies only to swaps.
2. The proposed amendments delete Number 9.3 of the Price List. Currently, Number 9.3 of the Price List stipulates that Eurex Clearing will charge a service fee for intraday collateral transfers for covering margin requirements (i.e., intraday exchange of collateral). Since the introduction of the cash service fee and securities collateral handling fee in 2012, which economically includes

the individual intraday collateral transfer fee, intraday collateral transfer fees have not been charged in practice. As result, Number 9.3 of the Price List is no longer applicable and will be deleted.

3. The proposed amendments change the Clearing Conditions and the Price List to provide that amendments and/or supplements to the Price List will be announced to Clearing Members and, if affected, other customers 15 business days prior to effectiveness, rather than 10 business days as currently stated. This change harmonizes the Price List and Clearing Conditions.
4. The proposed amendments to the Clearing Conditions and FCM Regulations will clarify the scope of the recently introduced limitations for Japan-related clearing of OTC Interest Rate Derivative Transactions. Specifically, it will be clarified that the limitations are addressed to entities that qualify as Financial Instruments Business Operators and Registered Financial Institutions under the Japanese Financial Instruments and Exchange Act.

Further information regarding the operation, purpose, and effect of the proposed amendments is discussed in the attached Eurex Clearing Circular 025/20, which is appended as Attachment A.

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

1. DCO Core Principles C (Participant and Product Eligibility): The proposed amendments will comply with DCO Core Principle C because the amendments change certain penalties, fees, and the scope of Japan-related clearing, and Eurex Clearing will continue to comply with this Core Principle.
2. DCO Core Principle L (Public Information): The proposed amendments will comply with DCO Core Principle D because the amendments increase the notice period for Price List amendments, and Eurex Clearing will continue to comply 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>.

/s/ Eric Seinsheimer_____

By: Eric Seinsheimer

Title: US CCO, Eurex Clearing AG

Dated: March 19, 2020