

**Eurex Clearing AG**  
**ECAG Rule Certification 066/17**  
**July 6, 2017**

1. The text of the proposed amendments to the Clearing Conditions of Eurex Clearing AG (“Clearing Conditions”) is appended as Attachment A. Any additions are underlined and any deletions are struck through.
2. The date of intended implementation is September 4, 2017.
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.

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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 to the Default Management Process (“DMP”):

1. Eurex Clearing is proposing amendments regarding the DMP for Frankfurt Stock Exchange (“FWB”) transactions. In a default scenario, Eurex Clearing attempts an independent sale of the entire open FWB portfolio. If short positions remain after the independent sale, Eurex Clearing initiates a voluntary buy-in process for all Clearing Members. Eurex Clearing is amending the DMP to provide that the same auction rules that apply for Eurex Bonds Transactions will apply to FWB Transactions. Specifically, these rules define a maximum price for the buy-in process, which takes into account the last settlement price and decreases the potential for invalid pricing.
2. Eurex Clearing is proposing amendments to clarify the definition of “Liquidation Group Ratio” in the Clearing Conditions. The Dedicated Amount of Eurex Clearing (i.e., Eurex Clearing’s contribution) is based on the applicable Liquidation Group (“LG”) Ratio, which is currently defined as the Total Margin Requirement (“TMR”) for the relevant LG over the aggregated TMR across all LGs. Because industry terminology defines TMR in a different manner from Eurex Clearing, Eurex Clearing is eliminating the term TMR and substituting the terminology, “the sum of additional margin and initial margin,” in the Clearing Conditions.

3. Eurex Clearing is proposing amendments to clarify that the OTC Interest Rate Derivatives Transactions auction format will be utilized if at least one of the relevant transactions is an OTC Interest Rate Derivatives Transaction.
4. Eurex Clearing is proposing amendments to clarify that the Default Management Auction Rules apply to all Representing Participating Bidders, such as Clearing Members bidding on behalf of their clients, and that each Participating Bidder agrees to be bound by the Default Management Auction Rules regardless of whether it submits a bid.
5. Eurex Clearing is proposing amendments to the Default Management Committee (“DMC”) Rules to provide that when a Clearing Member requests to be represented in the DMC by an affiliated Non-Clearing Member or Registered Customer, the DMC Rules and the Agreement for the Participation in a DMC will also apply to these representatives. In addition, the amendments: (i) clarify that a DMC Member may disclose confidential information to its compliance department if required to ensure internal compliance; (ii) provide that a DMC Member may terminate the Agreement for the Participant in a DMC at any time with 30 days notice; and (iii) add a standard provision clarifying the amendment process for the DMC Rules and the Agreement for the Participation in a DMC.

Because the proposed amendments amend Special Provisions in the Clearing Conditions, which require a Consultation on the proposed amendments pursuant to Chapter I, Part 1, Number 17.3 of the Clearing Conditions, this Consultation will begin on July 6, 2017 and end on August 7, 2017. This will be followed by the regular notification period of 15 business days after which the proposed amendments will come into effect on September 4, 2017, unless more than 2 Affected Customers requested a prolonged notification period.

Further information regarding the operation, purpose, and effect of the proposed amendments is discussed in the attached Eurex Clearing Circular 066/17, 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 G (Default Rules and Procedures): The amendments will comply with DCO Core Principle G because the amendments clarify certain DMP rules, and Eurex Clearing’s DMP will continue to allow for the efficient, fair, and safe management of events during a default..

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: July 6, 2017