



eurex clearing circular 084/17

Date: 8 September 2017
Recipients: All Clearing Members, Non-Clearing Members, Basic Clearing Members, FCM Clients and Registered Customers of Eurex Clearing AG and Vendors
Authorized by: Heike Eckert

Admission of Futures Commission Merchants located in the U.S. as Clearing Members for CFTC-Approved Exchange-Traded Derivatives

Related Eurex Clearing circular: 091/14

Contact: Your Key Account Manager Clearing or clearing.services-admission@deutsche-boerse.com

Content may be most important for:

➔ All departments

Attachment:

Amended sections of the Clearing Conditions of Eurex Clearing AG, 1-4

Summary:

This circular contains information with respect to Eurex Clearing's service offering and corresponding amendments to the Clearing Conditions of Eurex Clearing AG (Clearing Conditions) regarding the following topic:

- Admission of U.S. Futures Commission Merchants as Clearing Members for CFTC-Approved Exchange-Traded Derivatives

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

The amendments regarding the topic will come into effect on **2 October 2017**.

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

Admission of Futures Commission Merchants located in the U.S. as Clearing Members for CFTC Approved Exchange-Traded Derivatives

This circular contains information with respect to Eurex Clearing's service offering and corresponding amendments to the Clearing Conditions of Eurex Clearing AG (Clearing Conditions) and other related documents regarding the following topic:

- Admission of Futures Commission Merchants located in the U.S. as Clearing Members for CFTC Approved Exchange-Traded Derivatives

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

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

Admission of Futures Commission Merchants located in the U.S. as Clearing Members for CFTC Approved Exchange-Traded Derivatives

Due to increasing interest from U.S. entities to self-clear Exchange-Traded-Derivatives (ETDs), Eurex Clearing will allow for the admission of certain Clearing Members incorporated in the U.S. as Clearing Members for ETDs.

In a first step, potential applicants can be Futures Commission Merchants (FCMs) having their principal place of business in the states of California, Illinois, or New York.

The scope of clearable products will be limited to contracts approved by the Commodity Futures Trading Commission under Eurex Deutschland's status as a Foreign Board of Trade.

In accordance with the requirements set out today, U.S. FCMs will be allowed to opt for either a Direct Clearing Member (DCM) or a General Clearing Member (GCM) license. To receive one of these licences, the FCM has to fulfil all existing DCM/GCM admission criteria.

In order to guarantee an adequate monitoring process, Eurex Clearing will implement a U.S.-specific member-monitoring framework, utilising the special prerequisites and provisions as well as the continuing obligations for U.S. Clearing Members, as defined in the Clearing Conditions, Chapter I Part 2 Number 2.5. This monitoring framework will include reporting of non-compliance, provision of financial reports and information, and ad hoc reporting to Eurex Clearing.

To comply with EMIR Article 39, which states that a Clearing Member of an European Central Counterparty (CCP) must offer both omnibus and individual segregation, the Elementary Clearing Model (ECM) as well as the Individual Clearing Model (ICM) will be offered to clients of U.S. FCM Clearing Members in accordance with Eurex Clearing Circular 091/14. If a U.S. FCM CM cannot offer such choice, it must offer the option of clearing via an EU-based affiliate or another EU-based Clearing Member.

Please note that the admission of Proprietary Trading Groups (PTGs) is envisaged for later this year, but is already reflected in the overall amendments to the Clearing Conditions. It will be announced and explained in a second dedicated Eurex Clearing circular which will be published prior to the go-live date.

To reflect the changes, the following provisions of the Clearing Conditions will be amended:

- Chapter I Part 1 Number 2.1.2 (2) (hh)
- Chapter I Number 2.5
- Chapter I Part 1 Number 12
- Chapter I Part 3 Subpart A Number 11
- Chapter I, Chapter VIII, Appendix 10

The full version of the amended Clearing Conditions will be available for download on the Eurex Clearing website www.eurexclearing.com as of the effective date under the following link:

Resources > Rules and Regulations

Pursuant to Chapter I Part 1 Number 17.2.3 of the Clearing Conditions, the changes and amendments to the Clearing Conditions communicated with this circular are deemed to have been accepted by each Clearing Member, Non-Clearing Member, Registered Customer, FCM Client and Basic Clearing Member unless it objects in writing to Eurex Clearing at least fifteen (15) business days prior to the actual effective date of such change and amendment of the Clearing Conditions. The right to terminate the Clearing Agreement or the Clearing License according to Chapter I Part 1 Number 2.1.4 Paragraph 2 Number 7.2.1 Paragraph 4 and Number 13 of the Clearing Conditions remains unaffected.

If you have any questions or require further information, please contact your Key Account Manager Clearing or send an e-mail to: clearing.services-admission@deutsche-boerse.com

8 September 2017

Attachment 1 to Eurex Clearing Circular 084/17

Chapter I of the Clearing Conditions of Eurex Clearing AG

General Provisions

As of 02.10.2017

AMENDMENTS ARE MARKED AS FOLLOWS:

INSERTIONS ARE UNDERLINED,

DELETIONS ARE CROSSED OUT.

[...]

Part 1 General Clearing Provisions

1 General Rules

1.1 Scope of Application

1.1.1 The procedures maintained and operated by Eurex Clearing AG for the Clearing of the Transactions specified in Number 1.1.2 (the “**Clearing Procedures**”) shall be carried out on the basis of a Clearing Agreement to be entered into between Eurex Clearing AG and a Clearing Member and/or one or more Clearing Agreements between Eurex Clearing AG, the relevant Clearing Member and a Non-Clearing Member (as defined in Number 1.1.5) or a Registered Customer (as defined in Number 1.1.6), respectively, in the form appended hereto as Appendix 1 – 5 (as applicable) or (in the case of a Clearing Agreement with a holder of a Specific Lender License) Appendix 7 and (in the case of a Clearing Agreement with a holder of a Specific Repo License) Appendix 6 or one or more Clearing Agreements between Eurex Clearing AG, an ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member (as defined in Number 2.3.1) and an ~~FCM Client~~ OTC IRS FCM Client (as defined in Part 5 Number 1.2) in the form appended hereto as Appendix 10 or one or more Clearing Agreements between Eurex Clearing AG, a Clearing Agent (as defined in Part 6 Number 1.1) and a Basic Clearing Member (as defined Number 1.1.4) in the form appended hereto as Appendix 11, which, in each case, incorporate the Clearing Conditions (each, a “**Clearing Agreement**”). The Transaction Types (as defined below) covered by a Clearing Agreement may be extended by execution of an amendment to such Clearing Agreement.

In case of any conflicts between the provisions contained in (i) a Clearing Agreement between Eurex Clearing AG and a Clearing Member and (ii) a Clearing Agreement between Eurex Clearing AG, such Clearing Member and a Non-Clearing Member or Registered Customer, respectively, the provisions contained in the Clearing Agreement between Eurex Clearing AG, such Clearing Member and such Non-Clearing Member or Registered Customer, respectively, prevail.

1.1.2 The Clearing Procedures refer to the following types of Transactions (each a “**Transaction Type**”): Transactions resulting from:

[...]

(7) the novation of securities lending transactions pursuant to Chapter IX (the resulting Transactions being "**Securities Lending Transactions**").

1.1.3 Only entities which have been granted a Clearing License (as defined in Number 2.1) by Eurex Clearing AG (each a "**Clearing Member**"), and, subject to the U.S. Clearing Model Provisions, entities that have been admitted as ~~FCM Client~~ OTC IRS FCM Clients (as defined in Part 5 Number 1.2) and, subject to the Basic Clearing Member Provisions, entities that have been admitted as Basic Clearing Members (as defined in Number 1.1.4) and, subject to Part 3, Interim Participants, are authorised to directly participate in the Clearing of Transactions. A Clearing Member that is legally organised and has its principal place of business in the United States of America (or any state thereof) and which holds a Clearing Licence for OTC Interest Rate Derivative Transactions is hereinafter referred to as a "**U.S. Clearing Member**OTC IRS **U.S. Clearing Member**". Unless otherwise specified, references in this Part 1, in Part 2, Chapter VIII and Appendix 1 to "~~Clearing Member~~" shall include references to "~~U.S. Clearing Member~~OTC IRS U.S. Clearing Member" and/or "~~FCM Clearing Member~~OTC IRS FCM Clearing Member". A Clearing Member that is legally organised and has its principal place of business in the United States of America (or any state thereof) and which does not qualify as an OTC IRS U.S. Clearing Member is hereinafter referred to as a "U.S. Clearing Member". Unless otherwise specified, references in the Clearing Conditions to "~~Clearing Member~~" shall include references to "**U.S. Clearing Member**". Only a General Clearing Member (as defined in Number 2.1.1 below) may act as a Clearing Agent (as defined in Part 6 Number 1.1) with respect to the Clearing of Basic Clearing Member Transactions (as defined in Part 6 Number 1.2).

[...]

1.1.9 An ~~FCM Client~~OTC IRS FCM Client may only enter into a Clearing Agreement in the form appended to the Clearing Conditions as Appendix 10 with an ~~FCM Clearing Member~~OTC IRS FCM Clearing Member and Eurex Clearing AG.

[...]

1.2 Clearing Procedures

1.2.1 General

[...]

(3) The Clearing Conditions provide for terms and conditions with regard to (i) the legal relationship between Eurex Clearing AG and the relevant Clearing Member, (ii) the legal relationship between the Clearing Member and a Non-Clearing Member or a Registered Customer, (iii) the legal relationship between Eurex Clearing AG and the relevant ~~FCM Client~~OTC IRS FCM Client and (iv) the legal relationship between Eurex Clearing AG and the relevant Basic Clearing Member, in each case in accordance with the following principles:

[...]

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- (f) If provided for in the U.S. Clearing Model Provisions, all rights and obligations between Eurex Clearing AG and an ~~FCM Client~~ OTC IRS FCM Client with respect to ~~FCM Client~~ OTC IRS FCM Client Transactions under a Clearing Agreement in the form appended to the Clearing Conditions as Appendix 10 shall be subject to one and the same ~~FCM Client~~ OTC IRS FCM Client Standard Agreement (each hereinafter also a “**Standard Agreement**” (*Grundlagenvereinbarung*)) in accordance with the U.S. Clearing Model Provisions.

[...]

1.2.2 Conclusion of Transactions and Transfer of Transactions

Transactions pursuant to these Clearing Conditions will be concluded and may be transferred in accordance with this Number 1.2.2. However, the conclusion of Market Transactions and OTC Transactions between Eurex Clearing AG and a Basic Clearing Member is exclusively subject to the Basic Clearing Member Provisions and the conclusion of OTC Transactions between Eurex Clearing AG and an ~~FCM Client~~ OTC IRS FCM Client is exclusively subject to the U.S. Clearing Model Provisions.

[...]

(5) Transfer of Transactions

[...]

- (g) Sub-paragraphs (d) to (f) do not apply in respect of any Basic Clearing Member Transactions. For transfers of ~~FCM Client~~ OTC IRS FCM Client Transactions the U.S. Clearing Model Provisions apply.

[...]

1.2.3 Categories of Transactions between Eurex Clearing AG and the Clearing Member, Relationship to Transactions with Non-Clearing Members and Registered Customers

[...]

- (4) This Number 1.2.3 does not apply with respect to Transactions between Eurex Clearing AG and an ~~FCM Client~~ OTC IRS FCM Client and with respect to Basic Clearing Member Transactions.

1.2.4 Certain Definitions and Interpretation

In these Clearing Conditions:

[...]

- (3) The terms “**Margin**” or “**Variation Margin**”, “**Elementary Proprietary Margin**” or “**Elementary Proprietary Variation Margin**” and “**Elementary Omnibus Margin**” or “**Elementary Omnibus Variation Margin**” shall have the meaning given to such

terms in the Elementary Clearing Model Provisions, the terms "**Segregated Margin**" or "**Segregated Variation Margin**" shall have the meaning given to such terms in the Individual Clearing Model Provisions, the terms "**Net Omnibus Margin**" or "**Net Omnibus Variation Margin**" shall have the meaning given to such terms in the Net Omnibus Clearing Model Provisions, the terms "~~FCM Client~~OTC IRS FCM Client Margin" or "~~FCM Client~~OTC IRS FCM Client Variation Margin" shall have the meaning given to such terms in the U.S. Clearing Model Provisions and the terms "**Basic Clearing Member Margin**" or "**Basic Clearing Member Variation Margin**" shall have the meaning given to such terms in the Basic Clearing Member Provisions, provided that (i) "**Margin**" shall refer to "**Elementary Proprietary Margin**", "**Elementary Omnibus Margin**", "**Segregated Margin**", "**Net Omnibus Margin**", "~~FCM Client~~OTC IRS FCM Client Margin" or "**Basic Clearing Member Margin**" and (ii) "**Variation Margin**" shall refer to "**Elementary Proprietary Variation Margin**" and "**Elementary Omnibus Variation Margin**", "**Segregated Variation Margin**", "**Net Omnibus Variation Margin**", "~~FCM Client~~OTC IRS FCM Client Variation Margin" or "**Basic Clearing Member Variation Margin**", respectively, in the General Clearing Provisions and the Special Clearing Provisions where the context so provides or requires.

[...]

1.2.6 Mandatory Business Hours

Clearing Members, Clearing Agents, Non-Clearing Members, Registered Customers, ~~FCM Client~~OTC IRS FCM Clients and Basic Clearing Members are obliged to procure that they are prepared to handle Clearing-related business, including the assessment of reports and notifications in accordance with Number 4.6, on each Business Day (in the case of Clearing Members or Clearing Agents from 7:00 hours until 23:30 hours CET).

However, in case that a Clearing Member or Non-Clearing Member is involved in the clearing of instruments which are admitted to trading on the Eurex Exchanges and are available for 23 hours trading, it is required to procure that they are prepared to handle Clearing-related business, including the assessment of reports and notifications in accordance with Number 4.6, on each Business Day for these instruments from 00:00 hours until 23:00 hours CET.

1.2.7 Default Rules

The Clearing Conditions provide for provisions relating to a default, non-performance or breach of obligations by the Clearing Member, the Clearing Agent, the ~~FCM Client~~OTC IRS FCM Client, the Basic Clearing Member or Eurex Clearing AG (the "**Default Rules**").

The Default Rules comprise (i) with respect to a Clearing Member (other than an ~~FCM Clearing Member~~OTC IRS FCM Clearing Member in relation to ~~FCM Client~~OTC IRS FCM Client Transactions), Numbers 6 and 7 in the General Clearing Provisions, Number 8 in the Elementary Clearing Model Provisions, Subpart A Number 7 and Number 14 of the Individual Clearing Model Provisions, Number 8 in the Net Omnibus Clearing Model Provisions, (ii) with respect to an ~~FCM Clearing Member~~OTC IRS FCM Clearing Member in relation to ~~FCM Client~~OTC IRS FCM Client Transactions, Numbers 6 and 7 of the

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General Clearing Provisions and Numbers 1.6.10, 7 and 8 of the U.S. Clearing Model Provisions, (iii) with respect to an ~~FCM Client~~ OTC IRS FCM Client, Number 9 of the U.S. Clearing Model Provisions, (iv) with respect to a Clearing Agent, Number 11 of the Basic Clearing Member Provisions, (v) with respect to a Basic Clearing Member, Number 10 of the Basic Clearing Member Provisions and (vi) with respect to Eurex Clearing AG, Number 9 of the General Clearing Provisions, as well as, in each case, the specific provisions relating thereto set out in the Specific Clearing Provisions.

1.2.8 Prohibition of Assignment

Unless otherwise provided for in the Clearing Conditions, the assignment of claims and rights arising from Transactions under a specific Standard Agreement by the relevant Clearing Member, Non-Clearing Member, Registered Customer, ~~FCM Client~~ OTC IRS FCM Client or Basic Clearing Member shall be excluded.

Eurex Clearing AG will not assign any of its claims or rights arising from Transactions under a specific Standard Agreement against a Clearing Member, Non-Clearing Member, Registered Customer, ~~FCM Client~~ OTC IRS FCM Client or Basic Clearing Member, unless such assignment is necessary in order to comply with statutory or regulatory requirements.

[...]

1.3 Set-off

1.3.1 Set-off of claims between the Clearing Member or Basic Clearing Member and Eurex Clearing AG

[...]

(1) Set-off Procedure within Standard Agreements

(a) Set-off of Cash Claims

Eurex Clearing AG shall be entitled to set off any of its cash claims under a specific Standard Agreement (other than an ~~FCM Client~~ OTC IRS FCM Client Standard Agreement) against other cash claims of the Clearing Member or Basic Clearing Member under that Standard Agreement, in each case excluding Settlement Claims in cash and Residual Payment Claims (each as defined in Paragraph (b) below).

[...]

1.3.2 Set-off of claims between a Clearing Member and its Non-Clearing Member, Registered Customer or ~~FCM Client~~ OTC IRS FCM Client and between a Clearing Agent and its Basic Clearing Member

Unless otherwise provided for in the Clearing Conditions, (i) a Clearing Member may agree with its Non-Clearing Member, Registered Customer or ~~FCM Client~~ OTC IRS FCM Client

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Client, respectively, and (ii) a Clearing Agent may agree with its Basic Clearing Member, on specific set-off provisions.

1.4 Settlement of Transactions

Unless otherwise provided in the relevant Special Clearing Provisions, the following provisions shall apply in relation to the settlement of Transactions, in each case following a set-off (if any) effected pursuant to Number 1.3 or pursuant to any other provisions in the Clearing Conditions.

1.4.1 Cash Clearing

[...]

- (7) The debit instructions provided by the Clearing Member in accordance with this Number 1.4.1 and relating to one or more Clearing License(s) may only be revoked by the Clearing Member if the Clearing Member also terminates such Clearing License(s). If the Clearing Member has declared such revocation and termination, such revocation of debit instructions and the termination of the related Clearing License(s) shall only become effective after all Transactions of the Clearing Member (and, in the case of an ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member, of each of its ~~FCM Client~~ OTC IRS FCM Clients) of the relevant Transaction Type(s) have been cancelled, closed or fulfilled. If a Clearing License ends for any other reasons, all related debit instructions shall terminate and such termination shall become effective in accordance with the foregoing sentence.

[...]

1.6 Additionally Monitored Risks and Risk Mitigating Measures

In respect of an ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member references in this Number 1.6 to Transactions of the Clearing Member shall include ~~FCM Client~~ OTC IRS FCM Client Transactions to which the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member Guarantee of such ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member relates. References in this Number 1.6 to Clearing Members shall, as relevant, include Clearing Members acting as Clearing Agents.

[...]

1.7 Representations with respect to Clearing Agreements

- 1.7.1 At the time it enters into a Clearing Agreement, each Clearing Member, Clearing Agent, Non-Clearing Member, Registered Customer, ~~FCM Client~~ OTC IRS FCM Client and Basic Clearing Member, each holder of a Specific Repo License and each holder of a Specific Lender License, severally but not jointly, represents and warrants with respect to itself by way of an independent guarantee and irrespective of fault (*selbständiges, verschuldensunabhängiges Garantieverprechen*) to Eurex Clearing AG that:

[...]

1.7.2 At the time it enters into the Clearing Agreement, each Clearing Member, Clearing Agent and Basic Clearing Member (as relevant) further represents and warrants by way of an independent guarantee and irrespective of fault (*selbständiges, verschuldensunabhängiges Garantieverprechen*) to Eurex Clearing AG that it is entitled to pledge, or, as relevant, transfer full legal and beneficial ownership of, all assets (including, without limitation, all Eligible Margin Assets, Securities or Loaned Securities) to be so pledged or so transferred by it pursuant to the Clearing Agreement (including, in the case of an ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member, pursuant to its ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member Guarantee relating to the obligations of the relevant ~~FCM Client~~ OTC IRS FCM Client), free from any liens, encumbrances, charges or other rights or claims and upon any such transfer, the transferee will receive all right, title and interest in the relevant assets free and clear of any such liens, encumbrances, charges or other rights and claims, arising, including pursuant to applicable regulation or under any statutory or other trust (save, with respect to a Net Omnibus Clearing Agreement, for any statutory trust under the Client Assets Sourcebook).

1.7.3 Additional representations and undertakings

[...]

(2) At the time it enters into a Clearing Agreement in the form of Appendix 1 or (if it is an ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member) Appendix 10 to the Clearing Conditions, each ~~U.S. Clearing Member~~ OTC IRS U.S. Clearing Member further represents and warrants by way of an independent guarantee and irrespective of fault (*selbständiges, verschuldensunabhängiges Garantieverprechen*) to Eurex Clearing AG that:

[...]

(iii) it maintains written risk management policies and procedures which address the risks that such ~~U.S. Clearing Member~~ OTC IRS U.S. Clearing Member may pose to Eurex Clearing AG.

The ~~U.S. Clearing Member~~ OTC IRS U.S. Clearing Member further undertakes

- (a) to make such risk management policies and procedures available to Eurex Clearing AG for inspection;
- (b) to disclose to Eurex Clearing AG whether it has been audited by another derivatives clearing organisation as well as the pertinent results of any such risk management audit;
- (c) to make information and documents regarding its risk management policies, procedures and practices available to the CFTC upon the CFTC's request.

1.7.4 Each Clearing Member, each Clearing Agent, each Non-Clearing Member, each Registered Customer, each ~~FCM Client~~ OTC IRS FCM Client and each Basic Clearing Member agrees with Eurex Clearing AG that it will repeat the representations set out in Number 1.7.1 to 1.7.3, to the extent that they are relevant to it, to Eurex Clearing AG with

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regard to the facts and circumstances then existing whenever it (or, in the case of an ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member or a Clearing Agent, any of its ~~FCM Client~~ OTC IRS FCM Clients or its Basic Clearing Members, respectively) enters into a Transaction, transfers Margin or Variation Margin or delivers Eligible Margin Assets in respect thereof or delivers assets equivalent to such Eligible Margin Assets.

[...]

1.7.6 Eurex Clearing AG represents and warrants by way of an independent guarantee and irrespective of fault (*selbständiges, verschuldensunabhängiges Garantieverprechen*) to the relevant Clearing Member, the Clearing Agent, the Non-Clearing Member/Registered Customer, the ~~FCM Client~~ OTC IRS FCM Client and the Basic Clearing Member at the time it enters into the Clearing Agreement:

[...]

1.7.7 Eurex Clearing AG shall promptly inform the Clearing Member or the Clearing Agent and the Basic Clearing Member if Eurex Clearing AG becomes aware that any representation or warranty in Number 1.7.6 ceases to be true. Each Clearing Member, Clearing Agent, Non-Clearing Member, Registered Customer, ~~FCM Client~~ OTC IRS FCM Client, Basic Clearing Member, holder of a Specific Repo License and holder of a Specific Lender License shall promptly inform Eurex Clearing AG if it becomes aware that any of its representations or warranties in this Number 1.7 ceases to be true.

1.8 No Clearing of OTC Interest Rate Derivative Transactions for U.S. Persons

1.8.1 In relation to OTC Interest Rate Derivative Transactions, the Clearing Member (other than any ~~U.S. Clearing Member~~ OTC IRS U.S. Clearing Member) represents and warrants by way of an independent guarantee and irrespective of fault (*selbständiges, verschuldensunabhängiges Garantieverprechen*) to Eurex Clearing AG that, at the time it enters into a Clearing Agreement and each time when entering into an OTC Interest Rate Derivative Transaction, it (i) reasonably believes that it does not fall within any of the U.S. Person Categories and believes in good faith that it would not otherwise be deemed to be a **“U.S. person”** under the Interpretive Guidance (the **“CM-OTC U.S. Person Representation”**) and (ii) will not submit any Customer-Related Transaction for clearing to Eurex Clearing AG, unless the Clearing Member (a) has either obtained a representation from the relevant customer that such customer reasonably believes that it does not fall within any of the U.S. Person Categories and/or believes in good faith that it would not otherwise be deemed to be a **“U.S. person”** under the Interpretive Guidance, or (b) in case the Clearing Member has not obtained a representation as described under (a) above, reasonably believes that the relevant customer does not fall within any of the U.S. Person Categories and believes in good faith that the relevant customer would not otherwise be deemed to be a **“U.S. person”** under the Interpretive Guidance (the **“CM-Customer OTC U.S. Person Representation”**). Number 7.2.1 (2) shall apply accordingly. Number 7.2.1 (2) shall apply accordingly.

1.8.2 The Clearing Member (other than an ~~U.S. Clearing Member~~ OTC IRS U.S. Clearing Member) shall promptly inform Eurex Clearing AG (i) if it becomes aware that its CM-OTC U.S. Person Representation ceases to be true or (ii) if the relevant customer has

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informed the Clearing Member that the relevant CM-Customer OTC U.S. Person Representation has ceased to be true or in any other case in which the Clearing Member becomes aware that the relevant CM-Customer OTC U.S. Person Representation has ceased to be true.

[...]

2 Clearing Members

2.1 Clearing License

2.1.1 Granting of Clearing License

[...]

- (3) A Clearing License will be granted upon the conclusion of, or an amendment to this effect to, a Clearing Agreement for the relevant Transaction Type. For holders of a respective Clearing License (including ~~FCM Clearing Member~~ OTC IRS FCM Clearing Members and Clearing Agents), their Non-Clearing Members, Registered Customers, ICM Clients, ~~FCM Client~~ OTC IRS FCM Clients and Basic Clearing Members as well as Interim Participants (if applicable), this Chapter I as well as the Chapter for the relevant Transaction Types as well as any references in such Chapter to other Chapters or Annexes of the Clearing Conditions, shall be applicable.
- (4) As specified in the relevant Clearing Agreement, a Clearing License is issued either as a general clearing license (a "**General Clearing License**") or a direct clearing license (a "**Direct Clearing License**"). Unless otherwise provided in the relevant Special Clearing Provisions, a General Clearing License entitles the holder thereof (a "**General Clearing Member**") (i) to clear Own Transactions, Customer-Related Transactions as well as NCM-Related Transactions and RC-Related Transactions or, in respect of ~~U.S. Clearing Member~~ OTC IRS U.S. Clearing Members, Own Transactions and, if the ~~U.S. Clearing Member~~ OTC IRS U.S. Clearing Member is an ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member, also ~~FCM Client~~ OTC IRS FCM Client Transactions, and (ii) to participate in the Clearing of Basic Clearing Member Transactions as a Clearing Agent subject to further requirements as set out in the Basic Clearing Member Provisions. A Direct Clearing License entitles the holder thereof (a "**Direct Clearing Member**") to clear Own Transactions, Customer-Related Transactions, RC-Related Transactions and only those NCM-Related Transactions referring to Transactions by Non-Clearing Members, affiliated with it.

[...]

2.1.2 General Prerequisites for Clearing Licenses

[...]

- (2) Personal prerequisites

- (a) Subject to Paragraph (2) (b) and Number 2.1.3 below, a Clearing License may only be granted to:

[...]

- (ee) an institution domiciled outside the EU or Switzerland which is (i) permitted in its country of domicile to provide credit to customers in relation to Transactions and receive collateral in the form of cash or securities and (ii) supervised in its country of domicile according to standards equivalent to the applicable regulatory standards of the EU as determined by Eurex Clearing AG, provided that (iii) the competent supervisory authority is a signatory to Appendix A of the IOSCO Multilateral Memorandum of Understanding or has signed an applicable bilateral memorandum of understanding with the Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht – “BaFin”*); ~~or~~
- (ff) a branch of an institution not falling within one of the categories pursuant to Paragraph (2) (a) (bb) to (dd) above, provided that (i) if either the branch or the main office of the institution is domiciled outside the EU or Switzerland, such branch or main office complies with the conditions set forth in Paragraph (2) (a) (ee) above, (ii) if either the branch or the main office of the institution is domiciled in a member state of the EU or Switzerland, such branch or main office complies with the conditions set forth in Paragraph (2) (a) (aa) above, and that (iii) the branch and the institution comply with the conditions set forth in Paragraph (2) (c) below; ~~or~~
- (gg) with respect to a Direct Clearing License for the clearing of Own Transactions only, an applicant that is an insurance undertaking, reinsurance undertaking, collective investment undertaking (in the case of an Unincorporated Fund, Sub-Fund or Fund Segment, acting through an Authorised Manager) as defined in Article 4 Paragraph (1) of the CRR or an institution for occupational retirement provision as defined in Article 6(a) of Directive 2003/41/EC; in each case domiciled in a member state of the EU or in Switzerland, or in a country outside of the EU and Switzerland and supervised in its country of domicile according to standards equivalent to the applicable regulatory standards of the EU as determined by Eurex Clearing AG; or
- (hh) with respect to a Direct Clearing License for the clearing of only (i) Own Transactions and (ii) NCM-Related Transactions, RC-Related Transactions and Customer-Related Transactions, provided that the relevant Non-Clearing Member, Registered Customer or customer is an affiliated company of the applicant, an applicant that is a Proprietary Trading Firm legally organised and with its principal place of business in the United States of America (or any state thereof), which is sufficiently supervised as determined by Eurex Clearing AG.-

[...]

- (4) The applicant (other than an applicant that intends to become an ~~U.S. Clearing Member~~OTC IRS U.S. Clearing Member) shall have available the following accounts:

[...]

2.3 **Specific Provisions and additional continuing Obligations for ~~U.S. Clearing Member~~OTC IRS U.S. Clearing Members**

The general prerequisites for Clearing Licenses set out in Number 2.1.2 Paragraphs (2) (a) (ee), (2) (d) and 2 (e), (3) (b), (3) (c) and (3) (d), (5) (a) - (d) and (g), (6), (7) and (8) and the continuing obligations set out in Number 2.2 above also apply in respect of applicants applying for a participation in the Clearing as an ~~U.S. Clearing Member~~OTC IRS U.S. Clearing Member (including as an ~~FCM Clearing Member~~OTC IRS FCM Clearing Member). In addition, the following provisions set out in this Number 2.3 apply with respect to such applicants.

2.3.1 **Special prerequisites and provisions for ~~U.S. Clearing Member~~OTC IRS U.S. Clearing Members**

- (1) A Clearing Licence for the participation in the Clearing as an ~~U.S. Clearing Member~~OTC IRS U.S. Clearing Member may only be granted to an entity that is legally organised and has its principal place of business in the United States of America (or any state thereof) and only with respect to the Clearing of OTC Interest Rate Derivative Transactions.
- (2) If the applicant for a Clearing License for the participation in the Clearing as an ~~U.S. Clearing Member~~OTC IRS U.S. Clearing Member intends to clear OTC Interest Rate Derivative Transactions for customers, the applicant needs to be registered with the CFTC as a “futures commission merchant” (as defined in the CEA), and such Clearing License can only be granted for the Clearing of OTC Interest Rate Derivative Transactions as an agent for ~~FCM Client~~OTC IRS FCM Clients (as defined in the U.S. Clearing Model Provisions) in accordance with the U.S. Clearing Model Provisions (each ~~U.S. Clearing Member~~OTC IRS U.S. Clearing Member that is a futures commission merchant and holds such Clearing License for the Clearing of OTC Interest Rate Derivative Transactions as an agent for ~~FCM Client~~OTC IRS FCM Clients, an “~~FCM Clearing Member~~OTC IRS FCM Clearing Member”).
- (3) An ~~U.S. Clearing Member~~OTC IRS U.S. Clearing Member that does not qualify as an ~~FCM Clearing Member~~OTC IRS FCM Clearing Member may only participate in the Clearing of OTC Interest Rate Derivative Transactions that are Own Transactions of such ~~U.S. Clearing Member~~OTC IRS U.S. Clearing Member. An ~~U.S. Clearing Member~~OTC IRS U.S. Clearing Member that qualifies as an ~~FCM Clearing Member~~OTC IRS FCM Clearing Member may additionally participate in the Clearing as an agent for ~~FCM Client~~OTC IRS FCM Clients as set out in Paragraph (2).

[...]

(5) Without prejudice to the obligations of the ~~U.S. Clearing Member~~ OTC IRS U.S. Clearing Member set out in any part of the Clearing Conditions, the ~~U.S. Clearing Member~~ OTC IRS U.S. Clearing Member shall ensure that it has adequate operational capacity to meet obligations arising from the participation in the Clearing with Eurex Clearing AG including (but not limited to): (i) the ability to process expected volumes and values of Transactions cleared by the ~~U.S. Clearing Member~~ OTC IRS U.S. Clearing Member (including in its capacity as an ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member) within required time frames, including at peak times and on peak days, (ii) the ability to fulfil any collateral, payment and delivery obligations imposed by Eurex Clearing AG, and (iii) the ability to participate in the default management process pursuant to Number 7.5 (subject to, in the case of an ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member, the U.S. Clearing Model Provisions).

(6) Instead of the accounts set out in Number 2.1.2 Paragraph (4) the applicant shall have available the following accounts (as applicable):

(a) Securities Accounts:

[...]

(bb) with respect to the Clearing of Transactions for ~~FCM Client~~ OTC IRS FCM Clients and for purposes of granting pledges over the Securities that shall form part of the ~~FCM Client~~ OTC IRS FCM Client Margin to Eurex Clearing AG in accordance with the U.S. Clearing Model Provisions: one securities account or sub-account (including any subset of securities booked on an account and identified by a specific customer identifier of the relevant ~~FCM Client~~ OTC IRS FCM Client pursuant to Number 3.4 of the U.S. Clearing Model Provisions) in relation to each ~~FCM Client~~ OTC IRS FCM Client with Clearstream Banking AG to which the pledges with respect to ~~FCM Client~~ OTC IRS FCM Client Margin in accordance with the U.S. Clearing Model Provisions relate (each such account, sub-account or subset identified by a common identifier, an **"FCM Client OTC IRS FCM Client Pledged Securities Account"**).

The applicant is not required to maintain securities accounts pursuant to Paragraph (6) (a) (aa) and (bb) if it provides Margin only in the form of cash.

(b) Cash Accounts:

(aa) for cash payments in Euro: an RTGS Account in respect of payments relating to its Own Transactions and, in the case of an ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member, a further RTGS Account in respect of payments relating to the ~~FCM Client~~ OTC IRS FCM Client Transactions of such ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member's FCM Client OTC IRS FCM Clients; and

(bb) if the ~~U.S. Clearing Member~~ OTC IRS U.S. Clearing Member wishes to pay Eurex-Fees (as defined in Number 5.1) according to Number 1.4.1 Paragraph (6), an account with a bank for the respective currency

(together with any other cash accounts provided for in the Special Clearing Provisions, the "~~U.S. Clearing Member~~OTC IRS U.S. Clearing Member Cash Accounts").

Eurex Clearing AG may, upon written request, allow the use of the required cash accounts pursuant to this Paragraph (6) (b) of a correspondent bank recognised by Eurex Clearing AG.

2.3.2 **Additional continuing obligations for ~~U.S. Clearing Member~~OTC IRS U.S. Clearing Members**

- (1) ~~An U.S. Clearing Member~~OTC IRS U.S. Clearing Member shall promptly inform Eurex Clearing AG if it is in material non-compliance with any applicable regulations of the CFTC or with any of the prerequisites or conditions included in this Number 2.3. ~~An U.S. Clearing Member~~OTC IRS U.S. Clearing Member shall provide to Eurex Clearing AG, without undue delay, information that concerns any financial or business developments that may materially affect the ~~U.S. Clearing Member~~OTC IRS U.S. Clearing Member's ability to continue to comply with any prerequisites or conditions set out in Numbers 2.1, 2.2 or 2.3.
- (2) ~~An U.S. Clearing Member~~OTC IRS U.S. Clearing Member is obliged to file periodic statements of their financial condition with Eurex Clearing AG within 17 days of the end of each calendar month. ~~An FCM Clearing Member~~OTC IRS FCM Clearing Member must file copies of the CFTC form "1-FR-FCM" in fulfilment of this requirement completed in accordance with 17 C.F.R. § 1.18.

"C.F.R." means the U.S. Code of Federal Regulations.
- (3) ~~An U.S. Clearing Member~~OTC IRS U.S. Clearing Member is obliged, at the request of Eurex Clearing AG, to provide Eurex Clearing AG with evidence of compliance with the prerequisites for a Clearing License, including, in particular, evidence of implementation of risk management processes. ~~An U.S. Clearing Member~~OTC IRS U.S. Clearing Member is further obliged to respond in full and on a timely basis to requests for information about their financial condition from Eurex Clearing AG's managers or staff or from authorised agents acting on behalf of Eurex Clearing AG.
- (4) Eurex Clearing AG may, at the cost of the relevant ~~U.S. Clearing Member~~OTC IRS U.S. Clearing Member, conduct audits of ~~U.S. Clearing Member~~OTC IRS U.S. Clearing Members which may include financial, operational, risk management and business practice aspects. ~~An U.S. Clearing Member~~OTC IRS U.S. Clearing Member is obliged to cooperate with such audits and promptly provide access to any books or records that Eurex Clearing AG's managers or staff or any authorised agents acting on behalf of Eurex Clearing AG may request as part of the audit, and to make their facilities available for review and inspection by Eurex Clearing AG's managers or staff or authorised agents acting on behalf of Eurex Clearing AG as such persons may request. Eurex Clearing AG's audit may include all such information that would allow Eurex Clearing AG to ascertain that the ~~U.S. Clearing Member~~OTC IRS U.S. Clearing Member continues to fulfil the prerequisites for

participation in the Clearing and compliance with the Clearing Conditions. Eurex Clearing AG may, in its discretion, have any such audit conducted by a third party.

- (5) ~~An U.S. Clearing Member~~ OTC IRS U.S. Clearing Members shall respond promptly and completely to requests for information from Eurex Clearing AG's chief compliance officer or the chief compliance officer's authorised designee and to provide access to books and records and operating facilities upon request from Eurex Clearing AG's chief compliance officer or the chief compliance officer's authorised designee.
- (6) ~~An U.S. Clearing Member~~ OTC IRS U.S. Clearing Member shall (as a prerequisite for obtaining a Clearing License and, after having obtained a Clearing License, without undue delay after any changes are made to the relevant policies, procedures or practices) provide Eurex Clearing AG with its written anti-money laundering procedures and written risk management policies and procedures and practices, addressing the risks that such ~~U.S. Clearing Member~~ OTC IRS U.S. Clearing Member may pose to Eurex Clearing AG, including, but not limited to, information and documents relating to the liquidity of such ~~U.S. Clearing Member~~ OTC IRS U.S. Clearing Member's financial resources and settlement procedures.
- (7) ~~An FCM Clearing Member~~ OTC IRS FCM Clearing Member shall be obliged (to the extent permitted by applicable law) to provide Eurex Clearing AG with any information that Eurex Clearing AG may reasonably require in relation to the clearing services provided by the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member to its ~~FCM Client~~ OTC IRS FCM Clients, including the following information:
- (i) the text of any ~~FCM Client~~ OTC IRS FCM Client Clearing Agreement entered into between the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member and the relevant ~~FCM Client~~ OTC IRS FCM Client; and
 - (ii) any document reflecting the recording of the ~~FCM Client~~ OTC IRS FCM Client Transactions in the different accounts held by the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member per Business Day, the details of such ~~FCM Client~~ OTC IRS FCM Client Transactions, the margin assets, including excess margin, if any, held in respect of such ~~FCM Client~~ OTC IRS FCM Client Transactions (reflected on a customer-by customer basis).

[...]

2.5 Specific provisions and additional continuing obligations for U.S. Clearing Members

For applicants legally organised and with their principal place of business in the United States of America (or any state thereof), the general prerequisites for Clearing Licenses set out in Number 2.1.2 Paragraphs (2) to (8) shall apply accordingly if not stated otherwise below. In addition, the following provisions set out in this Number 2.5 shall also apply with respect to such applicants.

For the avoidance of doubt, this Number 2.5 does not apply to OTC IRS U.S. Clearing Members and OTC IRS FCM Clearing Members.

2.5.1 Special prerequisites and provisions for U.S. Clearing Members

(1) An applicant legally organised and with its principal place of business in the United States of America (or any state thereof) can only apply for a Clearing Licence for Eurex Transactions as determined from time to time by Eurex Clearing AG. Eurex Clearing AG will publish a list of all futures contract transactions and options contract transactions which can be cleared through Eurex Clearing AG by U.S. Clearing Members on its website (www.eurexclearing.com).

(2) The applicant must either qualify as a futures commission merchant (as defined in the CEA) registered with the CFTC (“FCM”) or as a Proprietary Trading Firm.

“Proprietary Trading Firm” means an entity which (a) is organised as a corporation, limited liability company, general or limited partnership, statutory business trust or common law business trust under the laws of a state of the United States of America and has its principal place of business in the United States of America, (b) is not a bank, insurance company, stockbroker (including a stockbroker registered with the U.S. Securities and Exchange Commission under Section 15(b) of the U.S. Securities Exchange Act of 1934, as amended, 15 U.S. Code § 78o(b), a commodity broker (including an FCM registered as such with the CFTC) or a railroad, and (c) only clears transactions for its own account or the account of its Affiliates and not for the account of either a “30.7 customer” within the meaning of CFTC Rule 30.1 (f) or a foreign futures customer as described in Section 761(9) of the Bankruptcy Code.

“Affiliate” means with respect to a Proprietary Trading Firm, any entity that controls, directly or indirectly, the Proprietary Trading Firm, any entity controlled, directly or indirectly, by the Proprietary Trading Firm or any entity directly or indirectly under common control with such Proprietary Trading Firm. For this purpose, “control” of an entity or of a Proprietary Trading Firm means ownership of a majority of the voting power of the entity or the Proprietary Trading Firm. The term Affiliate also covers any legal entity, corporation, partnership, association, trust, sovereign state, or agency whose account, when carried by the Proprietary Trading Firm, would be considered a proprietary account pursuant to CFTC Regulation 1.3(y) (or any successor or replacement regulation thereto).

(3) Proprietary Trading Firms may only participate in the Clearing of Eurex Transactions that are (i) Own Transactions or (ii) Customer-Related Transactions, RC-Related Transactions or NCM-Related Transactions of an Affiliate of such Proprietary Trading Firm. FCMs may participate in the Clearing of Eurex Transactions that are (i) Own Transactions, or (ii) Customer-Related Transactions, RC-Related Transactions or NCM-Related Transactions. For the avoidance of doubt, Affiliates of a Proprietary Trading Firm and Affiliates of an FCM will be set up as customers in the systems of Eurex Clearing AG.

(4) With respect to Proprietary Trading Firms, Number 2.1.2 (3) shall not apply. Instead of requiring evidence of sufficient own funds or equivalent regulatory capital, Eurex Clearing AG will determine at its own discretion whether the applicant has available sufficient financial resources. For this purpose, the Proprietary Trading Firm will submit its most recent Form 1-FR (as such Form is defined by the CFTC) to Eurex

Clearing AG. Should Eurex Clearing AG determine that the applicant has insufficient financial resources for a Clearing License, Eurex Clearing AG may allow the shortfall to be made up by collateral in cash or securities accepted by Eurex Clearing AG. The provisions under Number 2.1.2 (3) (d) shall apply accordingly.

- (5) With respect to the Clearing of Eurex Transactions in accordance with the Elementary Clearing Model Provisions, the only Applicable Allocation Method for U.S. Clearing Members is the Asset Based Allocation.
- (6) Proprietary Trading Firms must be themselves clearing members, for purposes of clearing exchange-traded derivatives, of a derivatives clearing organisation that is registered with the CFTC as such and that is legally organised and has its principal place of business in the United States of America (or any state thereof).

2.5.2 Additional continuing obligations for U.S. Clearing Members

- (1) With respect to Non-Clearing Members, Registered Customers or customers, with their registered seat in the European Union ("**European Clients**"), a U.S. Clearing Member shall, prior to entering into a Clearing Agreement with European Clients, inform the relevant European Client that the level of protection of the Elementary Clearing Model and the Individual Clearing Model with regards to porting mechanics and a direct payment of a Difference Claim (if any) to the relevant European Client cannot be offered when the relevant European Client clears its Transactions through a U.S. Clearing Member.

The U.S. Clearing Member must offer to European Clients, which intend to clear their Transactions through the U.S. Clearing Member, the availability of the Elementary Clearing Model and the Individual Clearing Model for European Clients through an affiliated Clearing Member or another Clearing Member with its registered seat in the European Union. If – notwithstanding the aforementioned alternatives offered – the relevant European Client chooses to clear its Transactions through the U.S. Clearing Member, the U.S. Clearing Member shall disclose to the relevant European Client any risks which arise from Clearing through such U.S. Clearing Member.

- (2) With respect to a U.S. Clearing Member qualifying as an FCM, the following additional continuing obligations shall apply:
- (i) The U.S. Clearing Member shall inform Eurex Clearing AG, without undue delay, if it is in non-compliance with any of the prerequisites or conditions included in Number 2.1.2 (if applicable) and Number 2.5.
- (ii) The U.S. Clearing Member shall file a copy of its monthly Form 1-FR or, if applicable, FOCUS Report (as defined by the U.S. Securities and Exchange Commission) and its annual audited financial report with Eurex Clearing AG, promptly, but in any event no later than 30 Business Days after such report is available.
- (iii) The U.S. Clearing Member is further obliged to respond on a timely basis to requests for information about its financial condition from Eurex Clearing AG or from authorised agents acting on behalf of Eurex Clearing AG.

- (iv) The U.S. Clearing Member shall inform Eurex Clearing AG without undue delay of any decline in equivalent regulatory capital of 20% or more from that shown on its most recent monthly Form 1-FR or, if applicable, FOCUS Report.
- (3) With respect to a U.S. Clearing Member qualifying as Proprietary Trading Firm, the following additional continuing obligations shall apply:
- (i) The U.S. Clearing Member shall promptly inform Eurex Clearing AG if it is in non-compliance with:
- (a) any of the prerequisites or conditions included in Number 2.1.2 (if applicable) and Number 2.5; or
- (b) any applicable regulations of a CFTC-registered derivatives clearing organisation of which it is a clearing member.
- (ii) The U.S. Clearing Member shall file a copy of its monthly Form 1-FR and its annual audited financial reports with Eurex Clearing AG promptly, and in any event no later than 30 Business Days after such report is available.
- (iii) The U.S. Clearing Member is further obliged to respond on a timely basis to requests for information about its financial condition from Eurex Clearing AG or from authorised agents acting on behalf of Eurex Clearing AG.
- (iv) The U.S. Clearing Member shall inform Eurex Clearing AG, without undue delay, of any decline in its financial resources of 20% or more from that shown on its most recent Form 1-FR submitted to Eurex Clearing AG.
- (v) For the entire term of the Clearing-Agreement, entered into between Eurex Clearing AG and the U.S. Clearing Member, the U.S. Clearing Member shall continue to be a clearing member, for purposes of clearing exchange-traded derivatives, of a derivatives clearing organisation registered with the CFTC as such and that is legally organised and has its principal place of business in the United States of America (or any state thereof).
- (vi) The U.S. Clearing Member shall inform Eurex Clearing AG, without undue delay, if any formal investigation, disciplinary action, or enforcement action is commenced against it by a derivatives clearing organisation in which it is a clearing member, the CFTC, or any other applicable regulatory or governmental body in the United States of America (or any state thereof).

3 General Provisions regarding Margin

The parties to a Standard Agreement are required to provide cover in respect of Elementary Proprietary Margin, Elementary Omnibus Margin, Segregated Margin, Net Omnibus Margin, ~~FCM Client~~OTC IRS FCM Client Margin or Basic Clearing Member Margin, as applicable, relating to that Standard Agreement as further set out in this Number 3 and the specific provisions of the Elementary Clearing Model Provisions, the Individual Clearing Model Provisions, the Net Omnibus Clearing Model Provisions, the U.S. Clearing Model Provisions and the Basic Clearing Member Provisions, as applicable.

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3.1 Margin Requirement and Types of Margin

[...]

- 3.1.2 In the member section on the website of Eurex Clearing AG (www.eurexclearing.com), each Clearing Member (and, with respect to a Basic Clearing Member, its Clearing Agent acting on behalf of the Basic Clearing Member) may opt for any one Liquidation Group (as defined in Number 7.5.1) with respect to any particular Transaction Account whether it wants Eurex Clearing AG to calculate its (or, in the case of a Clearing Agent, its Basic Clearing Member's) respective margin requirement in accordance with the Risk Based Margining methodology or in accordance with the Eurex Clearing Prisma methodology (the "**Margin Methodologies**" and each a "**Margin Methodology**"). If no choice is made in the member section by the Clearing Member (or the Clearing Agent) for any Liquidation Group with respect to any particular Transaction Account (or, in the case of (i) an ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member acting for the account of one or more ~~FCM Client~~ OTC IRS FCM Clients, the relevant ~~FCM Client~~ OTC IRS FCM Client Own Account and (ii) a Clearing Agent acting for the account of one or more Basic Clearing Members, the relevant Basic Clearing Member Own Account (as defined in Number 5.1 of Basic Clearing Member Provisions)), Eurex Clearing AG shall apply the Risk Based Margining methodology for such Liquidation Group with respect to the respective Transaction Account (or ~~FCM Client~~ OTC IRS FCM Client Own Account or Basic Clearing Member Own Account, respectively).

[...]

3.2 Eligible Margin Assets and Valuation

- 3.2.1 Eligible assets to be provided as cover (i) in respect of Margin, Segregated Margin, ~~FCM Client~~ OTC IRS FCM Client Margin or Basic Clearing Member Margin are such currency amounts and such Securities, as are accepted to Eurex Clearing AG from time to time in its reasonable discretion and (ii) in respect of Variation Margin, Segregated Variation Margin, ~~FCM Client~~ OTC IRS FCM Client Variation Margin or Basic Clearing Member Variation Margin, such currency amounts specified in the Special Clearing Provisions (the "**Eligible Margin Assets**"). Eurex Clearing AG will publish the relevant applicable list of Eligible Margin Assets in accordance with Number 16.1 (ii). Unless otherwise provided for in such list, debt securities that have a remaining term of 15 calendar days or less will not be accepted as Eligible Margin Assets.
- 3.2.2 For the purpose of assessing compliance with each of the margin requirements pursuant to the Elementary Clearing Model Provisions, the Individual Clearing Model Provisions, the Net Omnibus Clearing Model Provisions, the U.S. Clearing Model Provisions or the Basic Clearing Member Provisions, the following general provisions apply:
- (1) The value of any Eligible Margin Asset actually delivered (as defined in the Elementary Clearing Model Provisions, the Individual Clearing Model Provisions, the Net Omnibus Clearing Model Provisions, the U.S. Clearing Model Provisions or the Basic Clearing Member Provisions) in respect of Elementary Proprietary Margin or Elementary Proprietary Variation Margin, Elementary Omnibus Margin or Elementary Omnibus Variation Margin, Segregated Margin or Segregated Variation Margin, Net Omnibus Margin or Net Omnibus Variation Margin, ~~FCM Client~~ OTC IRS FCM Client

Margin or ~~FCM Client~~ OTC IRS ~~FCM Client~~ Variation Margin, Basic Clearing Member Margin or Basic Clearing Member Variation Margin, as applicable, will be based on the latest valuation method and haircuts determined by Eurex Clearing AG from time to time in its reasonable discretion and published in accordance with Number 16.1 (ii).

[...]

- (4) Currency amounts or Securities actually delivered in respect of Margin, Segregated Margin, Net Omnibus Margin, ~~FCM Client~~ OTC IRS ~~FCM Client~~ Margin or Basic Clearing Member Margin, as applicable, which are no longer accepted by Eurex Clearing AG as Eligible Margin Assets will be disregarded for the purpose of assessing compliance with the margin requirement; the relevant Redelivery Claim (as defined in the Elementary Clearing Model Provisions, the Individual Clearing Model Provisions, the Net Omnibus Clearing Model Provisions, the U.S. Clearing Model Provisions or the Basic Clearing Member Provisions, as applicable) with respect to any such assets shall remain unaffected. Eurex Clearing AG will, without undue delay, inform the Clearing Members (and in respect of (i) Covered Transactions, the ICM Clients and (ii) Basic Clearing Member Transactions, the Basic Clearing Members and their Clearing Agents) of any currency amounts or Securities that are no longer accepted in satisfaction of their respective margin requirements.

[...]

3.2.4 If Eurex Clearing AG becomes aware of circumstances, which justify a higher risk assessment of Eurex Clearing AG with respect to the Clearing Member, Basic Clearing Member or ~~FCM Clearing Member~~ OTC IRS ~~FCM Clearing Member~~ (in accordance with the ~~FCM Clearing Member~~ OTC IRS ~~FCM Clearing Member~~ Guarantee), or unanticipated market developments, which have an adverse impact on actually delivered Eligible Margin Assets, Eurex Clearing AG is entitled to request at any time and in its discretion from the Clearing Member, Basic Clearing Member or ~~FCM Clearing Member~~ OTC IRS ~~FCM Clearing Member~~ in respect to the Elementary Proprietary Margin, Elementary Omnibus Margin, Segregated Margin, Net Omnibus Margin, ~~FCM Client~~ OTC IRS ~~FCM Client~~ Margin or Basic Clearing Member Margin (as applicable) under the relevant Standard Agreement the delivery of other Eligible Margin Assets as specified by Eurex Clearing AG as replacement for Eligible Margin Assets which have been actually delivered to Eurex Clearing AG.

[...]

- (2) If the relevant Eligible Margin Assets requested pursuant to sentence 1 have been actually delivered to Eurex Clearing AG, the Clearing Member, Basic Clearing Member or ~~FCM Clearing Member~~ OTC IRS ~~FCM Clearing Member~~ may request the release or redelivery of other Eligible Margin Assets in accordance with the relevant provisions of the Elementary Clearing Model Provisions, the Individual Clearing Model Provisions, the Net Omnibus Clearing Model Provisions, the U.S. Clearing Model Provisions or the Basic Clearing Member Provisions, as applicable.

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- (3) To the extent Eligible Margin Assets requested pursuant to sentence 1 have not been delivered within the specified period of time, Eurex Clearing AG shall be entitled to directly debit the relevant Clearing Member Cash Account, Basic Clearing Member Cash Account, or ~~U.S. Clearing Member~~ OTC IRS U.S. Clearing Member Cash Account in accordance with the daily cash clearing procedure pursuant to Number 1.4.1 of the General Clearing Provisions in an amount equal to the amount of Eligible Margin Assets requested pursuant to sentence 1.
- (4) If a Clearing Member, Basic Clearing Member or ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member requests the redelivery or release of Eligible Margin Assets in accordance with the relevant provisions of the Elementary Clearing Model Provisions, the Individual Clearing Model Provisions, the Net Omnibus Clearing Model Provisions, the U.S. Clearing Model Provisions or the Basic Clearing Member Provisions, as applicable, Eurex Clearing AG is entitled to refuse the redelivery or release of specific Eligible Margin Assets in its own discretion, provided that Eurex Clearing AG becomes aware of circumstances, which justify a higher risk assessment of Eurex Clearing AG with respect to the Clearing Member, Basic Clearing Member or ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member, or unanticipated market developments, which have an adverse impact on actually delivered Eligible Margin Assets. Eurex Clearing AG shall inform the relevant Clearing Member, Basic Clearing Member or ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member about its decision to refuse the redelivery or release immediately.

3.3 Margin Call

- 3.3.1 If with respect to the relevant Standard Agreement, the aggregate value of the Eligible Margin Assets actually delivered to Eurex Clearing AG in respect of Elementary Proprietary Margin, Elementary Omnibus Margin, Net Omnibus Margin, Segregated Margin, ~~FCM Client~~ OTC IRS FCM Client Margin or Basic Clearing Member Margin, as applicable, is insufficient to provide the cover required to comply with the relevant applicable margin requirement, Eurex Clearing AG will require the Clearing Member and/or the Basic Clearing Member (in respect of its Basic Clearing Member Standard Agreement) to deliver (additional) Eligible Margin Assets in an amount up to the applicable margin requirement and by the time specified by Eurex Clearing AG (a "**Margin Call**") in accordance with the specific provisions of the Elementary Clearing Model Provisions, the Individual Clearing Model Provisions, the Net Omnibus Clearing Model Provisions, the U.S. Clearing Model Provisions or the Basic Clearing Member Provisions, as applicable.
- 3.3.2 For the purpose of delivering (additional) Eligible Margin Assets pursuant to Number 3.3.1, the Clearing Member may, in the case of a Margin Call relating to Elementary Omnibus Margin (in case the Asset Based Valuation Method is the Applicable Allocation Method), Segregated Margin, Net Omnibus Margin, ~~FCM Client~~ OTC IRS FCM Client Margin or Basic Clearing Member Margin, by giving notice to Eurex Clearing AG, elect to specify any amount of Eligible Margin Assets in the form of cash delivered by (and not returned to) the Clearing Member to Eurex Clearing AG with respect to and as part of the Elementary Proprietary Margin in order to wholly or partially satisfy the respective Margin Call if and to the extent that the aggregate value of all Eligible Margin Assets actually delivered in respect of the Elementary Proprietary Margin exceeds the

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Margin Requirement applicable at such time, unless the relevant Clearing Member and Eurex Clearing AG agree otherwise.

The consequences of an election to deliver (additional) Eligible Margin Assets pursuant to this Number 3.3.2 are set out in the Elementary Clearing Model Provisions, the Individual Clearing Model Provisions, the Net Omnibus Clearing Model Provisions, the U.S. Clearing Model Provisions or the Basic Clearing Member Provisions, as applicable.

[...]

3.5 Supplementary Margin

[...]

- (2) Eurex Clearing AG's claim for the provision of Supplementary Margin shall always be based on the precondition that Eurex Clearing AG becomes aware of any of the following circumstances, which justify a higher risk assessment of Eurex Clearing AG's claims against the Clearing Member (in case of an ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member, including all claims under the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member Guarantee). This may, in particular, be the case, if:

[...]

4 Internal Accounts

4.1 Types of Accounts

Eurex Clearing AG establishes and maintains internal accounts for each Clearing Member, on which the Transactions, cash amounts and margin of such Clearing Member (or, in the case of an ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member, its ~~FCM Client~~ OTC IRS FCM Clients) are booked as further set out in this Number 4 and the specific provisions of the Elementary Clearing Model Provisions, the Individual Clearing Model Provisions, the Net Omnibus Clearing Model Provisions or the U.S. Clearing Model Provisions, as applicable. In addition, Eurex Clearing AG establishes and maintains with respect to each Basic Clearing Member the internal accounts as set out in Number 5 of the Basic Clearing Member Provisions.

[...]

4.6 Objections to Notifications or Reports regarding Internal Accounts, Transactions or Margin

Whenever Eurex Clearing AG makes available notices or reports to a Clearing Member, a Non-Clearing Member, a Registered Customer, a ~~FCM Client~~ OTC IRS FCM Client (or the relevant ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member, acting on behalf of such ~~FCM Client~~ OTC IRS FCM Client) or a Basic Clearing Member (or the relevant Clearing Agent acting on behalf of such Basic Clearing Member), including with respect to any of the internal accounts set out in this Number 4, the Elementary Clearing Model Provisions, the Individual Clearing Model Provisions, the Net Omnibus Clearing Model

Provisions, the U.S. Clearing Model Provisions, the Basic Clearing Member Provisions or the Special Clearing Conditions, Transactions or Margin, such Clearing Member, Non-Clearing Member, Registered Customer, ~~FCM Client~~ OTC IRS FCM Client (or the relevant ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member, acting on behalf of such ~~FCM Client~~ OTC IRS FCM Client) or Basic Clearing Member (or the relevant Clearing Agent acting on behalf of such Basic Clearing Member) should check without undue delay all such notices and reports of Eurex Clearing AG, including with respect to all such information and data the Clearing Member, the Non-Clearing Member, Registered Customer, ~~FCM Client~~ OTC IRS FCM Client (or the relevant ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member, acting on behalf of such ~~FCM Client~~ OTC IRS FCM Client) or Basic Clearing Member (or the relevant Clearing Agent acting on behalf of such Basic Clearing Member), has given to Eurex Clearing AG or received from Eurex Clearing AG, via third parties.

The Clearing Members, Non-Clearing Members, Registered Customers, ~~FCM Client~~ OTC IRS FCM Clients (or the relevant ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member, acting on behalf of the relevant ~~FCM Client~~ OTC IRS FCM Client) or Basic Clearing Members (or the relevant Clearing Agent acting on behalf of the relevant Basic Clearing Member) should inform Eurex Clearing AG in writing or by telefax without undue delay, but in any case no later than (i) by the end of the pre-trading period (with regard to market participants) for the relevant Transaction Type of the next Business Day or (ii) by 9:00 hours (Frankfurt am Main time) on the next Business Day (in all other cases), of any mistakes, errors, omissions, deviations or irregularities that become apparent to it in such notices or reports.

[...]

6 Default Fund

[...]

6.1 Contributions to the Default Fund

6.1.1 Contributions and Calculation of the Contributions to the Default Fund

[...]

- (2) Eurex Clearing AG shall from time to time determine the amount of the Contribution to be paid and maintained by a Clearing Member or a Clearing Agent (each a "**Contribution Requirement**") in accordance with the relevant applicable calculation method published by Eurex Clearing AG pursuant to Number 16.1 (the "**Contribution Calculation Method**"); any such published Contribution Calculation Method shall form part of the Clearing Conditions.

The basis for the calculation of (i) the Contribution Requirement of a Clearing Member are all Transactions of such Clearing Member (and, in respect of a ~~FCM an~~ Clearing Member OTC IRS FCM Clearing Member, in addition, all Transactions between Eurex Clearing AG and ~~FCM Client~~ OTC IRS FCM Clients of such ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member) (a "**CM Contribution**

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Requirement") and (ii) the Contribution Requirement of a Clearing Agent with respect to a particular Basic Clearing Member are all Basic Clearing Member Transactions of such Basic Clearing Member (a "**BCM Contribution Requirement**").

Eurex Clearing AG may re-evaluate and adjust each Contribution Requirement in accordance with the relevant Contribution Calculation Method at any time and will do so on a regular basis.

[...]

6.2 Realisation of the Default Fund

[...]

The "**Default Fund Secured Claims**" shall be all claims of Eurex Clearing AG for payments of amounts which are necessary to cover the losses and financial consequences of the occurrence of a Termination or Basic Clearing Member Termination with respect to all relevant Liquidation Groups and/or Terminated Transactions (as defined in Number 7.5) within the scope of the Default Fund and, in particular, any outstanding Difference Claim(s) (as defined in Number 8.3.2 of the Elementary Clearing Model Provisions, Subpart A Number 7.3.2 of the Individual Clearing Model Provisions, Number 8.4.2 of the Net Omnibus Clearing Model Provisions, Number 8.6.3 of the U.S. Clearing Model Provisions and Number 10.5.2 of the Basic Clearing Member Provisions) of Eurex Clearing AG against the Affected Clearing Member (including, in the case of an ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member, any claims of Eurex Clearing AG against such ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member under its ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member Guarantee) or its relevant Basic Clearing Member, respectively.

A "**Realisation Event**" shall occur if following a Termination or a Basic Clearing Member Termination the relevant provisions relating to the consequences of a Termination Date or Basic Clearing Member Termination Date set out in the Elementary Clearing Model Provisions (in particular, Number 8 thereof), the Individual Clearing Model Provisions (in particular, Subpart A Number 7 thereof), the Net Omnibus Clearing Model Provisions (in particular, Number 8 thereof), the U.S. Clearing Model Provisions (in particular, Number 8 thereof) or the Basic Clearing Member Provisions (in particular, Numbers 10 and 11 thereof), as applicable, have been applied.

[...]

6.3 Further Contributions to the Default Fund (Assessments); Replenishment of Contributions to the Default Fund

6.3.1 If, following a Realisation Event, Eurex Clearing AG determines that the Contributions may not be sufficient to cover the respective claims secured by the Default Fund in accordance with Number 6.2.1 above, it shall at its discretion be entitled to require within a Capped Period, by making one or several demands:

- (i) from the BCM Affected Clearing Member, further Affected BCM Contributions (the “Affected BCM Further Contributions”); and
- (ii) from the Non-Affected Clearing Members and the BCM Affected Clearing Member, further CM Contributions (the “CM Further Contributions”) and further BCM Contributions (other than Affected BCM Contributions) (the “Non-Affected BCM Further Contributions”)

(the Affected BCM Further Contributions and the Non-Affected BCM Further Contributions together, the “**BCM Further Contributions**”; and the BCM Further Contributions and the CM Further Contributions together, the “**Further Contributions**”). When determining the relevant CM Further Contributions or the relevant Non-Affected BCM Further Contribution with respect to the relevant Clearing Member, Eurex Clearing AG shall reduce the relevant Further Contributions by the relevant Excess Contribution actually delivered to Eurex Clearing AG by such Clearing Member (if any). The BCM Affected Clearing Member and the Non-Affected Clearing Members shall, subject to the Liability Cap, be obliged to make such Further Contributions to the Default Fund, in each case as soon as possible but no later than one Business Day following receipt of Eurex Clearing AG’s demand.

The “**Liability Cap**” with respect to each of the Affected BCM Further Contributions, the Non-Affected BCM Further Contributions and the CM Further Contributions shall be two times the related originally applicable Contribution Requirement to the Default Fund and shall apply for the relevant Capped Period.

A “**Capped Period**” shall, with respect to the Default Fund, be a period of twenty (20) Business Days which shall commence on the Termination Date or the Basic Clearing Member Termination Date and which, if one or more further Termination Date(s) or Basic Clearing Member Termination Date(s) occur within such twenty (20) Business Day period shall, in the case of each such further Termination Date or Basic Clearing Member Termination Date, be extended by twenty (20) Business Days from (and including) the relevant further Termination Date or further Basic Clearing Member Termination Date, subject to a maximum duration of three (3) months. If, following the occurrence of a Termination Date or a Basic Clearing Member Termination Date, the Default Fund will not be realised, the Capped Period shall end upon finalisation of the default management process with respect to such Termination Date or such Basic Clearing Member Termination Date as notified by Eurex Clearing AG to the Clearing Members.

A Non-Affected Clearing Member shall not be obliged to pay CM Further Contributions, if the respective Non-Affected Clearing Member has terminated all of its Clearing Licenses and such terminations have become effective prior to the start of the respective Capped Period. A Non-Affected Clearing Member shall not be obliged to pay Non-Affected BCM Further Contributions relating to a Basic Clearing Member, if all Basic Clearing Member Clearing Licenses of such Basic Clearing Member have been terminated and such terminations have become effective prior to the start of the respective Capped Period.

If a Clearing Member whose Clearing Agreements (except for its Basic Clearing Member Clearing Agreement(s)) with Eurex Clearing AG have been terminated has not settled all its Transactions (and, in the case of an FCM Clearing Member OTC IRS FCM Clearing

Member, all Transactions of its ~~FCM Client~~ OTC IRS FCM Clients) within a Capped Period, such Clearing Member remains liable for any subsequent Capped Period(s) in accordance with the foregoing sentence until it is no longer a party to (or, in the case of an FCM Clearing Member ~~OTC IRS FCM Clearing Member~~, no longer guarantees pursuant to its ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member Guarantee) any Transactions with Eurex Clearing AG. If a Basic Clearing Member whose Basic Clearing Member Clearing Agreement with Eurex Clearing AG has been terminated has not settled all its Basic Clearing Member Transactions within a Capped Period, its Clearing Agent remains liable for any subsequent Capped Period(s) in accordance with the first sentence of this sub-paragraph until such Basic Clearing Member is no longer a party to any Basic Clearing Member Transactions with Eurex Clearing AG.

Without undue delay after the end of each Capped Period each Non-Affected Clearing Member shall be obliged to replenish the Default Fund up to the relevant Contribution Requirements; this shall not apply if (i) a Non-Affected Clearing Member has terminated all its Clearing Licenses and such terminations have become effective before such replenishment obligation has become due and (ii) if the Basic Clearing Member Clearing Licenses of all Basic Clearing Members of the Non-Affected Clearing Member (in its capacity as a Clearing Agent) have been terminated and such terminations have become effective before such replenishment obligation has become due.

For the avoidance of doubt, nothing in this Number 6.3 shall exclude or limit Eurex Clearing AG's rights and claims against the CM Affected Clearing Member and against the Affected BCM.

[...]

6.4 Release of the Contributions to the Default Fund

[...]

6.4.2 If all Clearing Licenses of a Clearing Member or all Basic Clearing Member Clearing Licenses of a Basic Clearing Member of such Clearing Member (acting in its capacity as a Clearing Agent) have been terminated, Eurex Clearing AG shall release the relevant Contributions of the respective Clearing Member to the Default Fund as follows:

- (a) if no Capped Period has commenced at the time of the termination, at the later of (x) the effective date of such termination and (y) one month after the day upon which all Transactions in the accounts of the respective Clearing Member and, in the case of an FCM Clearing Member ~~OTC IRS FCM Clearing Member~~, the accounts relating to its ~~FCM Client~~ OTC IRS FCM Clients or, as relevant, in the case of a Clearing Agent, all Basic Clearing Member Transactions of such Basic Clearing Member have been settled; and
- (b) if a Capped Period has commenced at the time of the termination, at the later of (i) the effective date of such termination, (ii) the end of the Capped Period, and (iii) one month after the day upon which all Transactions in the accounts of the respective Clearing Member and, in the case of an FCM Clearing Member ~~OTC IRS FCM Clearing Member~~, the accounts relating to its ~~FCM Client~~ OTC IRS FCM Clients or,

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as relevant, in the case of a Clearing Agent, all Basic Clearing Member Transactions of such Basic Clearing Member have been settled.

The same shall apply *mutatis mutandis* to the collateral pursuant to Number 2.1.2 Paragraph (3) (d).

6.5 Interpretation

(Further) Contributions do not form part of the Margin, Variation Margin, Segregated Margin, Segregated Variation Margin, Net Omnibus Margin, Net Omnibus Variation Margin, ~~FCM Client~~OTC IRS FCM Client Margin, ~~FCM Client~~OTC IRS FCM Client Variation Margin, Basic Clearing Member Margin or Basic Clearing Member Variation Margin and a claim of a Clearing Member or Clearing Agent against Eurex Clearing AG to return (Further) Contributions does not form part of the applicable single agreement pursuant to Number 2.1.3 and Number 10.2 of the Elementary Clearing Model Provisions, Subpart A Number 2.1.3 of the Individual Clearing Model Provisions, Number 2.1.2 of the Net Omnibus Clearing Model Provisions, Number 2.1.2 of the U.S. Clearing Model Provisions or Number 4.1.2 of the Basic Clearing Member Provisions.

7 Termination Rules with respect to the Clearing Member

Upon the occurrence of certain termination events with respect to the Clearing Member under a Standard Agreement (or in the case of (i) an ~~FCM Clearing Member~~OTC IRS FCM Clearing Member, under a Clearing Agreement in the form appended hereto as Appendix 10 to which such ~~FCM Clearing Member~~OTC IRS FCM Clearing Member is a party, or (ii) a Clearing Member acting as Clearing Agent, under a Basic Clearing Member Clearing Agreement) and, if provided for in these Clearing Conditions, the delivery of a corresponding notice by Eurex Clearing AG to the Clearing Member (and in the case of (i) an ~~FCM Clearing Member~~OTC IRS FCM Clearing Member and a termination event relating to a Clearing Agreement in the form appended hereto as Appendix 10, such ~~FCM Clearing Member~~OTC IRS FCM Clearing Member and the relevant ~~FCM Client~~OTC IRS FCM Client or (ii) a Clearing Member acting as Clearing Agent and a Termination Event relating to such Clearing Agent under a Basic Clearing Member Clearing Agreement, its Basic Clearing Members), a termination of transactions (each a "Termination"), realisation of Margin or Variation Margin, payment of a Difference Claim (as defined in Number 8.4.2 of the Elementary Clearing Model Provisions, Subpart A Number 7.3.2 or Subpart B Number 6.3.2 of the Individual Clearing Model Provisions, Number 8.3.2 of the Net Omnibus Clearing Model Provisions and Number 8.6.3 of the U.S. Clearing Model Provisions, as applicable) or a transfer of positions shall occur, as applicable and as further provided for in the Elementary Clearing Model Provisions, the Individual Clearing Model Provisions, the Net Omnibus Clearing Model Provisions, the U.S. Clearing Model Provisions or the Basic Clearing Member Provisions.

Unless Subpart A Number 11.1.4 and 11.1.5 of the Individual Clearing Model Provisions applies, this Number 7 does not apply with respect to any default by a Non-Clearing Member or Registered Customer, respectively, under a Clearing Agreement.

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Unless provided for by the U.S. Clearing Model Provisions, this Number 7 does not apply with respect to any default by an FCM Client ~~OTC IRS FCM Client~~ under its FCM Client ~~OTC IRS FCM Client~~ Standard Agreement with Eurex Clearing AG.

Unless provided for by the Basic Clearing Member Provisions, this Number 7 does not apply with respect to any default by a Basic Clearing Member under its Basic Clearing Member Standard Agreement with Eurex Clearing AG.

7.1 Construction and Interpretation

7.1.1 This Number 7 provides for the general provisions that apply to a Termination pursuant to the Elementary Clearing Model Provisions, the Individual Clearing Model Provisions, the Net Omnibus Clearing Model Provisions or, with respect to an FCM Clearing Member ~~OTC IRS FCM Clearing Member~~ and a Clearing Agreement in the form appended hereto as Appendix 10 to which such FCM Clearing Member ~~OTC IRS FCM Clearing Member~~ is a party, the U.S. Clearing Model Provisions or, with respect to a Clearing Member acting as Clearing Agent under a Basic Clearing Member Clearing Agreement, the Basic Clearing Member Provisions.

[...]

7.1.5 If and to the extent that the U.S. Clearing Model Provisions apply, references in this Number 7 to “**Transactions**”, “**Margin**” or “**Variation Margin**” shall refer respectively to the terms “FCM Client ~~OTC IRS FCM Client~~ **Transactions**”, “FCM Client ~~OTC IRS FCM Client~~ **Margin**” and “FCM Client ~~OTC IRS FCM Client~~ **Variation Margin**” as defined in the U.S. Clearing Model Provisions.

7.1.6 References to “**Redelivery Claims**” in this Number 7 refer to Redelivery Claims of the Clearing Member under a Standard Agreement either pursuant to the Elementary Clearing Model Provisions, the Individual Clearing Model Provisions or the Net Omnibus Clearing Model Provisions or to Redelivery Claims of the relevant FCM Client ~~OTC IRS FCM Client~~ under a Standard Agreement pursuant to the U.S. Clearing Model Provisions, as applicable, and exclude any Redelivery Claims arising under other Standard Agreements pursuant to the Elementary Clearing Model Provisions, the Individual Clearing Model Provisions, the Net Omnibus Clearing Model Provisions, the U.S. Clearing Model Provisions or the Basic Clearing Member Provisions, as applicable.

7.2 Termination Events

7.2.1 Subject to Number 7.2.2, if at any time any of the termination events set out in Paragraphs (1) to (12) (each a “**Termination Event**”) has occurred and is continuing with respect to a Clearing Member (including, where applicable, in its capacity as a Clearing Agent), Eurex Clearing AG may either

- (i) give written notice thereof to such Clearing Member (and, if such Clearing Member (i) is an FCM Clearing Member ~~OTC IRS FCM Clearing Member~~ and such Termination Event relates to any Standard Agreement between Eurex Clearing AG and an FCM Client ~~OTC IRS FCM Client~~ of such FCM Clearing Member ~~OTC IRS FCM Clearing Member~~, also to such FCM Client ~~OTC IRS FCM Client~~(s) or (ii) acts as Clearing Agent, also to its Basic Clearing Members) and designate a reasonable

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grace period to remedy the relevant Termination Event (each a “**Grace Period**”), which may be extended by Eurex Clearing AG from time to time, (the “**Grace Period Notice**”) or

- (ii) if – taking into account all relevant circumstances of the specific case – it would be unreasonable (*unzumutbar*) to set a Grace Period or if the relevant Termination Event cannot be remedied, give a written termination notice to such Clearing Member (and, if such Clearing Member (i) is an ~~an FCM Clearing Member~~ OTC IRS FCM Clearing Member and such Termination Event relates to any Standard Agreement between Eurex Clearing AG and an ~~an FCM Client~~ OTC IRS FCM Client of such ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member, to such ~~FCM Client~~ OTC IRS FCM Client(s) or (ii) acts as Clearing Agent, also to its Basic Clearing Members (the “**Termination Notice**”) specifying the date and time on which the Termination shall occur.

If the Termination Event has been remedied to Eurex Clearing AG’s satisfaction by the end of the Grace Period, Eurex Clearing AG shall inform the Clearing Member (and the relevant ~~FCM Client~~ OTC IRS FCM Clients and Basic Clearing Members (if any)) thereof. If the Termination Event has not been remedied to Eurex Clearing AG’s satisfaction by the end of the Grace Period, Eurex Clearing AG may give written termination notice to the Clearing Member (and the relevant ~~FCM Client~~ OTC IRS FCM Clients and Basic Clearing Members (if any)) specifying the date and time on which the Termination shall occur. thereon (the “**Grace Period Termination Notice**”).

[...]

(1) Failure to Pay; Failure to Deliver Margin

The Clearing Member fails to pay any amount due under the Clearing Conditions (including, without limitation, in the case of an ~~an FCM Clearing Member~~ OTC IRS FCM Clearing Member, any amount due under any of its ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member Guarantees relating to the obligations of its ~~FCM Client~~ OTC IRS FCM Clients) to Eurex Clearing AG or fails to deliver any Eligible Margin Assets to Eurex Clearing AG in respect of a due request for delivery of Margin or Variation Margin or fails to perform any Redelivery Claim when due under a Standard Agreement between Eurex Clearing AG and the Clearing Member. The occurrence of this Termination Event with respect to a Clearing Member under a Standard Agreement entitles Eurex Clearing AG to perform its rights under this Number 7.2.1 with respect to all Standard Agreements entered into between Eurex Clearing AG and the relevant Clearing Member.

[...]

(4) Repudiation or objection to amendments to the Clearing Conditions

The Clearing Member (i) repudiates any of the terms and conditions of the Clearing Agreement or the Clearing Conditions or (ii) objects to an amendment to the Clearing Agreement or the Clearing Conditions and Eurex Clearing AG cannot reasonably be expected to continue its relationship with such Clearing Member, in particular, if such objections would lead to different versions of the Clearing

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Conditions being applicable to several Clearing Members, Non-Clearing Members, Registered Customers, ~~FCM Client~~ OTC IRS FCM Clients or Basic Clearing Members, respectively, and the application of different versions of the Clearing Conditions would not be technically feasible.

[...]

7.2.2 If at any time an Insolvency Termination Event has occurred with respect to the Clearing Member, a Termination shall occur with immediate effect as of such time (the date of such Termination being the “**Termination Date**” and the respective termination time being the “**Termination Time**”). An “**Insolvency Termination Event**” occurs (i) with respect to a Clearing Member having its registered seat and centre of main interest in Germany or, if it is a credit institution, being headquartered in Germany, when insolvency proceedings in Germany (Insolvenzverfahren) within the meaning of the German Insolvency Code (*Insolvenzordnung*) are commenced over the estate of the Clearing Member (*Eröffnung des Insolvenzverfahrens*), (ii) with respect to a Clearing Member having its registered seat and centre of main interest in the Netherlands or, if it is a credit institution, being headquartered in the Netherlands, at the end of the day on which any action or step is taken in relation to such Clearing Member by itself or any other person to institute insolvency proceedings including *faillissement*, *surséance van betaling*, *noodregeling* and any of the measures referred to in Section 3:267d et seqq. of the Dutch Act on Financial Supervision (*Wet op het financieel toezicht*) (“**AFS**”), including but not limited to, the preparation of a transfer plan pursuant to Section 3:159c AFS, the order of immediate measures by the Secretary of Finance pursuant to Section 6:1 AFS and the expropriation of property and capital components by the Secretary of Finance pursuant to Section 6:2 AFS and the appointment of a *curator or bewindvoerder*, and the action, legal proceedings or other procedure or step is not dismissed on the day such action or step is taken, (iii) with respect to a ~~U.S. Clearing Member~~ OTC IRS U.S. Clearing Member, when a case is commenced by or against the ~~U.S. Clearing Member~~ OTC IRS U.S. Clearing Member under the U.S. Bankruptcy Code (including if a U.S. Bankruptcy Event (as defined in Number 8 of the U.S. Clearing Model Provisions) has occurred) or a receiver or other insolvency administrator is appointed for the ~~U.S. Clearing Member~~ OTC IRS U.S. Clearing Member or any of the ~~U.S. Clearing Member~~ OTC IRS U.S. Clearing Member's assets, or (iv) with respect to a Clearing Member not falling under (i), (ii) or (iii), when insolvency proceedings or similar proceedings under the laws of the jurisdiction where such Clearing Member has its registered seat and centre of main interest or, if it is a credit institution, where it is headquartered, are commenced over the estate of the Clearing Member.

7.3 Consequences of a Termination

[...]

7.3.1 Upon the occurrence of a Termination Date, the Difference Claim shall be determined for each Standard Agreement by way of combining (*Saldieren*) the Single Transaction Amounts of all Transactions under such Standard Agreement terminated as of the Termination Time and the Aggregate Value of the Redelivery Claims under such Standard Agreement, all as defined below.

The final amount of the Difference Claim resulting from such combination shall (i), if it is a positive figure for the party entitled to value the Difference Claim, be owed to it by the other party, or (ii), if it is a negative figure for the party entitled to value the Difference Claim, be owed by it to the other party.

The Difference Claim shall be denominated in the Clearing Currency last agreed in writing between Eurex Clearing AG and the Clearing Member (the "**Termination Currency**"). The Clearing Member shall notify the Clearing Currency to the Non-Clearing Member/Registered Customer and in the case of an ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member, its ~~FCM Client~~ OTC IRS FCM Clients.

7.3.2 If the "**Liquidation Price Approach**" is the applicable Difference Claim Valuation Method, the value of the Difference Claim shall be determined in accordance with this Number 7.3.2 by the party specified in Paragraph (2) on the Last Valuation Date.

[...]

(2) The party entitled to value the Difference Claim is, (i) with respect to a Standard Agreement between Eurex Clearing AG and the Clearing Member and with respect to a Standard Agreement between Eurex Clearing AG and the ~~FCM Client~~ OTC IRS FCM Client, Eurex Clearing AG and, (ii) with respect to a Standard Agreement between the Clearing Member and the Non-Clearing Member or Registered Customer, respectively, the Non-Clearing Member or Registered Customer, respectively.

[...]

7.5 Default Management Process

Eurex Clearing AG maintains a default management process to reduce the risks following a default by a Clearing Member or a Basic Clearing Member and the occurrence of in case of a (i) Clearing Member, a Termination Event or Insolvency Termination Event (as defined in Number 7.2.1 and 7.2.2) resulting in a Termination or (ii) a Basic Clearing Member, a Basic Clearing Member Insolvency Termination Event or Basic Clearing Member Termination Event (as defined in Part 6 Number 10.2 and 10.1) resulting in a Basic Clearing Member Termination (as defined in Part 6 Number 10.4), and, in each case, the calculation of one or more Difference Claims, as described in these Clearing Conditions. Eurex Clearing AG establishes default management committees (each a "**DMC**") for the purpose of advising and assisting the Executive Board of Eurex Clearing AG with respect to the consequences of a Termination or Basic Clearing Member Termination and all other matters specified in the Clearing Conditions, as further set out in this Number 7.5.

Where in this Number 7.5 reference is made to "**Terminated Transactions**", such reference shall refer to (i) all terminated Transactions of the Affected Clearing Member (as defined in Number 6.2) in accordance with Number 8.4.1 of the Elementary Clearing Model Provisions, Subpart A Number 7.3.1 of the Individual Clearing Model Provisions (excluding Transactions which have been subject to a re-establishment pursuant to Subpart A Number 11 of the Individual Clearing Model Provisions) and Number 8.3.1 of the Net Omnibus Clearing Model Provisions, (ii) if the Affected Clearing Member is an

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~~FCM Clearing Member~~OTC IRS ~~FCM Clearing Member~~, all terminated Transactions of its ~~FCM Client~~OTC IRS ~~FCM Client~~(s) pursuant to Numbers 8.6 or 9.6 of the U.S. Clearing Model Provisions or (iii) following a Basic Clearing Member Termination, all terminated Basic Clearing Member Transactions of the Basic Clearing Member(s) pursuant to Number 10.5 of the Basic Clearing Member Provisions for which the Affected Clearing Member acts as Clearing Agent.

Each Clearing Member shall appoint one of its employees as DMP-coordinator and as DMP-deputy, respectively, as a central contact for Eurex Clearing AG for all general matters relating to the default management process and register these vis-à-vis Eurex Clearing AG.

Each Clearing Member shall provide Eurex Clearing AG with a completed form as published by Eurex Clearing AG on its website www.eurexclearing.com in which the relevant Clearing Member provides an overview on its trading capabilities with respect to all bonds underlying Eurex Bonds Transactions and Eurex Repo Transactions ("**Bonds Trading Sheet**"). Each Clearing Member shall provide Eurex Clearing AG with a new Bonds Trading Sheet whenever any of the determinations made in the Bonds Trading Sheet changes.

[...]

7.5.2 DM Hedging Transactions

At any time after the Termination Time (with respect to the relevant Affected Clearing Member and/or, if the Affected Clearing Member is an ~~FCM Clearing Member~~OTC IRS ~~FCM Clearing Member~~, with respect to the ~~FCM Client~~OTC IRS ~~FCM Client~~ Standard Agreement(s) of its ~~FCM Client~~OTC IRS ~~FCM Client~~(s)) or the Basic Clearing Member Termination Time, Eurex Clearing AG may in its discretion enter into transactions with respect to claims or obligations under its Transactions in order to hedge the effects of the Terminated Transactions (the "**DM Hedging Transactions**" and each a "**DM Hedging Transaction**"). DM Hedging Transactions may be of any Transaction Type. The costs and expenses incurred in connection with the entering into DM Hedging Transactions are herein referred to as "**DM Hedging Transaction Costs**". The foregoing does not restrict the right of Eurex Clearing AG to enter into hedging or replacement transactions in the normal course of its business.

7.5.3 Establishment of Transactions by way of independent trades or by conducting DM Auctions

- (1) At any time after the Termination Time (with respect to the relevant Affected Clearing Member) or the Basic Clearing Member Termination Time, Eurex Clearing AG may in its discretion, take the following measures:

[...]

- (ii) If it is deemed appropriate by Eurex Clearing AG in consultation with the relevant DMC(s), Eurex Clearing AG may conduct one or more auctions with respect to one or several Liquidation Groups (in whole or in part the "**DM Auctions**" or each a "**DM Auction**") to establish new Transactions specified by

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Eurex Clearing AG which are – taken as a whole – equivalent to Terminated Transactions of the Affected Clearing Member (or, if the Affected Clearing Member is an ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member, the Terminated Transactions of the relevant ~~FCM Client~~ OTC IRS FCM Client) or the relevant Basic Clearing Member and/or reciprocal to DM Hedging Transactions (together the “**DM Auction Transactions**” and each a “**DM Auction Transaction**”). With respect to Eurex Bonds Transactions and Eurex Repo Transactions, Eurex Clearing AG may, if it is deemed appropriate by Eurex Clearing AG in consultation with the relevant DMC (s), conduct one or more auctions, to sell the bonds underlying the Eurex Bonds Transactions and Eurex Repo Transactions Transactions and to establish new Transactions being reciprocal to DM Hedging Transactions (“**DM Bonds Auctions**”).

Prior to a DM Auction or a DM Bonds Auction, Eurex Clearing AG shall enter into independent trades pursuant to paragraph (i) against the recommendation of the relevant DMC(s) only if the entering into such trades does not result in a realisation of Contributions of the Non-Affected Clearing Members in accordance with Chapter I Part 1 Number 6.2.1 and if the terms and conditions of the resulting Transactions are fixed prior to entering into the respective trades. If Eurex Clearing AG does not enter into independent trades pursuant to Paragraph (i) with respect to particular Terminated Transactions, one or more DM Auctions or DM Bonds Auctions shall be held with respect to such Terminated Transactions.

[...]

(3) General Provisions

Unless otherwise provided in (4) to (6), the following provisions shall apply:

[...]

- (ii) A Mandatory Participant shall be obliged to participate in DM Auctions in accordance with the DM Auction Rules.

“**Mandatory Participant**” means each

Clearing Member (i) holding a Clearing Licence with respect to all DM Auction Transactions comprised in the relevant Auction Unit, (ii) having the necessary account structure to settle all DM Auction Transactions comprised in the relevant Auction Unit, (iii) with respect to which within 3 months prior to the relevant Termination or Basic Clearing Member Termination (x) at least one Transaction (and/or, if the Affected Clearing Member is an ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member, an ~~FCM Client~~ OTC IRS FCM Client Transaction of any of its ~~FCM Client~~ OTC IRS FCM Clients) or (y) at least one Basic Clearing Member Transaction of a Basic Clearing Member of such Clearing Member (acting as Clearing Agent) has been booked on a respective account, which corresponds to these Transaction Types comprised in the relevant Liquidation Group, and (iv) with respect to which no Termination Event or Insolvency Termination Event has occurred and is continuing. Subject to certain restrictions as set forth in the DM Auctions Rules, (a) Non-Clearing Members, Registered Customers and other

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customers of Clearing Members may participate in DM Auctions in accordance with the DM Auction Rules through their Clearing Members and (b) Basic Clearing Members may participate in DM Auctions (including through their Clearing Agents acting on their behalf) upon invitation by Eurex Clearing AG. The participation of a Basic Clearing Member in any DM Auction shall not affect the obligations of its Clearing Agent as a Mandatory Participant.

[...]

7.5.4 Cash Settlement of a Liquidation Group

(1) Cash Settlement of Liquidation Group Transactions

If at any time following the occurrence of a Realisation Event Eurex Clearing AG determines a Liquidation Group Deficiency with respect to the Relevant Liquidation Group, Eurex Clearing AG may terminate and settle in cash all (but not only some) Transactions of such Relevant Liquidation Group (each a "**Liquidation Group Transaction**") with all Non-Affected Clearing Members, ~~FCM Client~~ OTC IRS FCM Clients and/or Basic Clearing Members by giving a notice to such Clearing Members (and, as relevant, such ~~FCM Client~~ OTC IRS FCM Clients or Basic Clearing Members, respectively) specifying the date and time on which the termination shall become effective ("**Liquidation Group Cash Settlement Date**") and "**Liquidation Group Cash Settlement Time**"). At the same time, Eurex Clearing AG will suspend the Clearing with respect to all Transaction Types which are comprised in such Relevant Liquidation Group and will inform the respective Markets accordingly.

A "**Liquidation Group Deficiency**" shall occur with respect to a Relevant Liquidation Group, if Eurex Clearing AG determines on the basis of its valuation models for the Terminated Transactions falling within the Relevant Liquidation Group that all Contributions and Further Contributions to the Default Fund would not be sufficient to settle all Default Fund Secured Claims relating to such Relevant Liquidation Group as of the time of determination by Eurex Clearing AG.

(2) Consequences of Cash Settlement of a Liquidation Group

If a Liquidation Group Cash Settlement Time has occurred with respect to the Relevant Liquidation Group, the following provisions shall apply:

All current and future primary obligations (including payment and delivery obligations) of each party under the relevant Standard Agreement between Eurex Clearing AG and the Clearing Member, the ~~FCM Client~~ OTC IRS FCM Client or the Basic Clearing Member, as relevant, arising from any Liquidation Group Transactions and all Redelivery Claims relating to the Variation Margin with respect to such Liquidation Group Transactions shall expire (*auflösende Bedingung*) as of the Liquidation Group Cash Settlement Time and shall no longer be required to be performed by the relevant obligor. Further, all due but unsatisfied obligations to deliver Variation Margin under the relevant Standard Agreement between Eurex Clearing AG and the Clearing Member, ~~FCM Client~~ OTC IRS FCM Client or the Basic Clearing Member, as relevant, with respect to Liquidation Group Transactions shall expire (*auflösende Bedingung*) as of the Liquidation Group Cash Settlement Time.

The expiration affects all claims arising from the Liquidation Group Transactions independently of the time they came into existence or would have come into existence otherwise. These expired primary obligations and delivery obligations, respectively, are reflected by the Liquidation Group Difference Claim (as defined in Number 7.5.4 paragraph (3) below).

(3) Liquidation Group Difference Claim

With regard to the relevant Standard Agreement between Eurex Clearing AG and the Clearing Member, the ~~FCM Client~~ OTC IRS FCM Client or the Basic Clearing Member, as relevant, the difference claim related to the Relevant Liquidation Group which was created by the signing of the relevant Clearing Agreement shall become unconditional and immediately due in the Termination Currency (as defined in Number 7.3.2) from one party to the relevant Standard Agreement to the respective other party as of the end of the Liquidation Group Cash Settlement Date (each such claim shall be a “**Liquidation Group Difference Claim**”).

The Liquidation Group Difference Claim shall be determined by Eurex Clearing AG on the Liquidation Group Cash Settlement Date for each Standard Agreement by way of combining (*saldieren*) the Single Valuation Prices of all terminated Liquidation Group Transactions under such Standard Agreement and the Aggregate Value of the Redelivery Claims relating to the Variation Margin for all such terminated Liquidation Group Transactions under such Standard Agreement. “**Single Valuation Price**” shall mean with respect to the relevant Liquidation Group Transaction the last available settlement price as determined by Eurex Clearing AG.

The final amount of the Liquidation Group Difference Claim resulting from such combination shall (i), if it is a positive figure for Eurex Clearing AG, be owed to it by the relevant Clearing Member, the ~~FCM Client~~ OTC IRS FCM Client or the Basic Clearing Member, as relevant, or (ii), if it is a negative figure for Eurex Clearing AG, be owed by it to the Clearing Member, the ~~FCM Client~~ OTC IRS FCM Client or the Basic Clearing Member, as relevant.

Eurex Clearing AG shall notify the value of the Liquidation Group Difference Claim determined by it to the Clearing Member, the relevant ~~FCM Client~~ OTC IRS FCM Client or the relevant Basic Clearing Member (and its Clearing Agent) and, where applicable, to the Clearing Member's ICM Clients as soon as reasonably practicable, together with reasonable detail regarding the data and information forming the basis of the determination.

(4) Payment of Liquidation Group Difference Claim

Such party to the relevant Standard Agreement which is the obligor of the Liquidation Group Difference Claim shall be obliged to pay the determined amount to the other party as soon as reasonably practicable following the notification by Eurex Clearing AG of the payable amount.

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9 Termination Rules with respect to Eurex Clearing AG

[...]

9.1 All current or future primary obligations (including payment and delivery obligations) arising from all Transactions and all Redelivery Claims under the relevant Standard Agreement between Eurex Clearing AG and the relevant Clearing Member, ~~FCM Client~~ OTC IRS FCM Client or Basic Clearing Member, as relevant, in accordance with Number 2.1.3 of the Elementary Clearing Model Provisions, Subpart A, Number 2.1.2 of the Individual Clearing Model Provisions, Number 2.1.3 of the Net Omnibus Clearing Model Provisions, Number 2.1.2 of the U.S. Clearing Model Provisions or Number 4.1.2 of the Basic Clearing Member Provisions, respectively, shall expire and may no longer be performed by the relevant obligor. Further all due but unsatisfied obligations to deliver Elementary Proprietary Margin or Elementary Proprietary Variation Margin, Elementary Omnibus Margin or Elementary Omnibus Variation Margin, Segregated Margin or Segregated Variation Margin, Net Omnibus Margin or Net Omnibus Variation Margin, ~~FCM Client~~ OTC IRS FCM Client Margin or ~~FCM Client~~ OTC IRS FCM Client Variation Margin, Basic Clearing Member Margin or Basic Clearing Member Variation Margin, as applicable, under the relevant Standard Agreement expire. These expired primary obligations and delivery obligations, respectively, are reflected by the difference claim pursuant to Number 9.2 below.

9.2 By signing the Clearing Agreement, or in the case of Part 3 Subpart A Number 11.1.5, by the Clearing Agreement to be established between the Interim Participant and Eurex Clearing AG, a difference claim of either party to the relevant Standard Agreement between Eurex Clearing AG and the relevant Clearing Member, ~~FCM Client~~ OTC IRS FCM Client or Basic Clearing Member, as relevant, is created. This difference claim shall become unconditional and immediately due against the respective other party upon the expiry of the primary obligations and delivery obligations, respectively, referred to in Number 9.1, and shall be determined on the basis of the CCP Exchange Prices applicable with respect to the relevant terminated Transactions or Redelivery Claims on the second Business Day following (i) the Failure to Pay Event or (ii) the Insolvency Event ("**CCP Valuation Date**"). Numbers 7.3.1 and 7.3.3 shall apply *mutatis mutandis*.

[...]

9.3 The following events shall constitute a Failure to Pay Event or an Insolvency Event with respect to Eurex Clearing AG:

- (1) A "**Failure to Pay Event**" occurs if (a) a Payment Default, (b) a Non-Payment of the Cash Settlement Amount following a Delivery Default or (c) a Redelivery Default which is set by a Clearing Member (each as defined below) occurs.
- (2) An "**Insolvency Event**" occurs if the *Bundesanstalt für Finanzdienstleistungsaufsicht* files a petition for the opening of insolvency proceedings over the assets of Eurex Clearing AG.

9.3.1 A "**Payment Default**" occurs if:

- (1) Eurex Clearing AG fails to make, when due, any payment (other than a payment of the Cash Settlement Amount following a Delivery Default) in respect of a payment claim of a Clearing Member, an ~~FCM Client~~ OTC IRS FCM Client or a Basic Clearing Member against Eurex Clearing AG arising from a Transaction;
- (2) Eurex Clearing AG has received written notice (*Textform*) of such failure by the relevant Clearing Member or, if the relevant Standard Agreement is an ~~FCM Client~~ OTC IRS FCM Client Standard Agreement, the relevant ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member (acting on behalf of such ~~FCM Client~~ OTC IRS FCM Client) or, if the relevant Standard Agreement is a Basic Clearing Member Standard Agreement, the relevant Clearing Agent (acting on behalf of such Basic Clearing Member) ("**First Notification**");

[...]

- (4) Eurex Clearing AG's failure to make such payment to such Clearing Member, such ~~FCM Client~~ OTC IRS FCM Client or such Basic Clearing Member continues – subject to the following paragraph – for a period of at least two (2) calendar days after the Second Notification, provided that the last day of such period shall be a Business Day.

For the purposes of this Number 9.3.1, a payment will be considered not to have been made by Eurex Clearing AG if no corresponding amount has been credited to the relevant account of the relevant Clearing Member, the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member (acting on behalf of the relevant ~~FCM Client~~ OTC IRS FCM Client); the Basic Clearing Member or the Clearing Agent (acting on behalf of the relevant Basic Clearing Member) or to an account of a correspondent bank designated by the Clearing Member, the relevant ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member (acting on behalf of such ~~FCM Client~~ OTC IRS FCM Client), the Basic Clearing Member or the relevant Clearing Agent (acting on behalf of the Basic Clearing Member). Delays in effecting such credit for technical reasons (i) which are outside the control of Eurex Clearing AG, as explained in writing (*Textform*) to such Clearing Member, such ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member, such Basic Clearing Member or such Clearing Agent, respectively, without undue delay, shall only lead to a Payment Default if Eurex Clearing AG's failure to make such payment continues for a period of one (1) calendar month after receipt of the Second Notification and (ii) which are within the control of Eurex Clearing AG shall, only lead to a Payment Default if Eurex Clearing AG's failure to make such payment continues for a period of ten (10) Business Days after receipt of the Second Notification. In the event of (i) Eurex Clearing AG shall use reasonable endeavours to effect such credit as soon as practicable. Eurex Clearing AG will notify the relevant Clearing Member, the relevant ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member (acting on behalf of the relevant ~~FCM Client~~ OTC IRS FCM Client), the relevant Basic Clearing Member or the relevant Clearing Agent (acting on behalf of the relevant Basic Clearing Member) without undue delay whether there is a case of (i) or (ii).

[...]

9.3.6 A “**Redelivery Default**” occurs if:

- (1) Eurex Clearing AG fails, when due, to perform a redelivery claim of a **Clearing Member**, an ~~FCM Client~~OTC IRS FCM Client or a Basic Clearing Member against Eurex Clearing AG with respect to (i) **Eligible Margin Assets** provided as cover, (ii) Contributions to the Default Fund, or (iii) collateral to cover a shortfall of own funds or equivalent regulatory capital as prerequisite for a Clearing License, or to release the relevant Securities in case of a pledge;

[...]

- (3) Eurex Clearing AG has received written (Textform) notice from such Clearing Member, the ~~FCM Clearing Member~~OTC IRS FCM Clearing Member (acting on behalf of such ~~FCM Client~~OTC IRS FCM Client) or the Clearing Agent (acting on behalf of such Basic Clearing Member) with respect to such non-performance (“**First Re-Delivery Request**”);
- (4) Eurex Clearing AG has received from such Clearing Member, such ~~FCM Clearing Member~~OTC IRS FCM Clearing Member (acting on behalf of the relevant ~~FCM Client~~OTC IRS FCM Client) or such Clearing Agent (acting on behalf of the relevant Basic Clearing Member) a further written (Textform) notice requesting Eurex Clearing AG to fulfil such delivery obligation after the expiry of a further period of not less than three (3) calendar days after receipt of the First Re-Delivery Request (“**Second Re-Delivery Request**”); and
- (5) Eurex Clearing AG's failure to perform to such Clearing Member, such ~~FCM Client~~OTC IRS FCM Client or such Basic Clearing Member continues – subject to the following paragraphs – for a period of at least two (2) calendar days after the Second Re-Delivery Request, provided that the last day of such period shall be a Business Day.

For the purposes of this Number 9.3.6, a performance will be considered not to have been made by Eurex Clearing AG (a) if no corresponding Securities have been credited to a securities account of the Clearing Member, of the ~~FCM Clearing Member~~OTC IRS FCM Clearing Member (acting for the account of the relevant ~~FCM Client~~OTC IRS FCM Client) or of the Basic Clearing Member (or of the Clearing Agent acting for the account of the relevant Basic Clearing Member) or to a securities account of a depository, a settlement institution or a custodian designated by the Clearing Member, the relevant ~~FCM Clearing Member~~OTC IRS FCM Clearing Member (acting on behalf of the relevant ~~FCM Client~~OTC IRS FCM Client) or the Basic Clearing Member (or the relevant Clearing Agent acting on behalf of the relevant Basic Clearing Member) at a deposit bank or a central securities depository or is not released in Xemac; or (b) if no corresponding amount has been credited to the relevant account of the relevant Clearing Member, the ~~FCM Clearing Member~~OTC IRS FCM Clearing Member (acting for the account of the relevant ~~FCM Client~~OTC IRS FCM Client) or the Basic Clearing Member (or the Clearing Agent acting for the account of the relevant Basic Clearing Member) or to an account of a correspondent bank designated by the Clearing Member, the relevant ~~FCM Clearing Member~~OTC IRS FCM Clearing Member (acting on behalf of the relevant ~~FCM~~

~~Client~~ OTC IRS FCM Client) or the Basic Clearing Member (or the Clearing Agent acting on behalf of the relevant Basic Clearing Member).

Delays in effecting such credit for technical reasons (i) which are outside the control of Eurex Clearing AG, as explained in writing (Textform) to such Clearing Member, such ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member or such Clearing Agent, respectively, without undue delay, shall only lead to a Re-Delivery Default if Eurex Clearing AG's failure to make such performance continues for a period of one (1) calendar month after receipt of the **Second Re-Delivery Request** and (ii) which are within the control of Eurex Clearing AG shall only lead to a Re-Delivery Default if Eurex Clearing AG's failure to make such performance continues for a period of ten (10) Business Days after receipt of the **Second Re-Delivery Request**. In the event of (i) Eurex Clearing AG shall use reasonable endeavours to effect such credit as soon as practicable. Eurex Clearing AG will notify the relevant Clearing Member, the relevant ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member (acting on behalf of such ~~FCM Client~~ OTC IRS FCM Client) or the relevant Clearing Agent (acting on behalf of such Basic Clearing Member) without undue delay whether there is a case of (i) or (ii).

This Number 9.3.6 shall be applicable for ICM-Clients with respect to a Direct Segregated Margin Re-transfer, accordingly, notwithstanding the relevant rules, whereas the ICM-Client shall notify its Clearing Member before issuing a written notice in accordance with Paragraph (3) and Paragraph (4) and an expiration of claims in accordance with Number 9.1 is excluded.

[...]

13 Termination of Clearing Agreements, Clearing Licenses and Basic Clearing Member Clearing Licenses

13.1 Termination of Clearing Agreements, Clearing Licenses and Basic Clearing Member Clearing Licenses

[...]

13.1.3 If a Clearing Agreement or the relevant Clearing License of a Clearing Member has been terminated, no new Transaction of such Clearing Member and, with respect to an ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member, no new ~~FCM Client~~ OTC IRS FCM Client Transactions of such Clearing Member's ~~FCM Client~~ OTC IRS FCM Client(s), may be included in the Clearing after receipt of the termination notice in accordance with Number 13.1.1.

[...]

13.2 Special provisions regarding termination of Clearing Agreements involving a Non-Clearing Member, Registered Customer or ~~FCM Client~~ OTC IRS FCM Client

13.2.1 A Non-Clearing Member, Registered Customer or ~~FCM Client~~ OTC IRS FCM Client, respectively, may terminate a Clearing Agreement to which it is party at any time pursuant to Number 13.1, applied *mutatis mutandis*. Number 1.1.7 Paragraph (10) shall remain unaffected.

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[...]

13.2.5 Upon receipt of a termination notice from an ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member or an ~~FCM Client~~ OTC IRS FCM Client by Eurex Clearing AG with respect to a Clearing Agreement in the form appended hereto as Appendix 10, no new ~~FCM Client~~ OTC IRS FCM Client Transactions of such ~~FCM Client~~ OTC IRS FCM Client may be included in the Clearing.

[...]

14 Liabilities, Emergency Actions, Contractual Penalties (*Vertragsstrafen*), Delegation

14.1 Liability, Emergency Actions

[...]

14.1.2 Eurex Clearing AG shall only be liable for wilful misconduct (*Vorsatz*) or gross negligence (*grobe Fahrlässigkeit*), unless Eurex Clearing AG violates any of its essential obligations (*wesentliche Vertragspflichten*) under the Clearing Agreement (incorporating the Clearing Conditions). An essential obligation is an obligation, the performance of which is necessary for the execution of the contract and as well a performance of which the Clearing Member, Non-Clearing Member, Registered Customer, ~~FCM Client~~ OTC IRS FCM Client or Basic Clearing Member, respectively, trusts in and may trust in. In case of simple negligence (*einfache Fahrlässigkeit*), the liability of Eurex Clearing AG is restricted only to damages typically foreseeable at the time of granting the Clearing License. The provision under Sentence 1 above shall not affect the statutory liability for damages incurred as a result of injury to life, body or health as well as the liability pursuant to the German Product Liability Act.

[...]

15 Transmission of information by Eurex Clearing AG; Outsourcing of Clearing Functions

15.1 Transmission of information relating to Clearing Members, Clearing Agents, Non-Clearing Members, Registered Customers, ~~FCM Client~~ OTC IRS FCM Clients and Basic Clearing Members by Eurex Clearing AG

15.1.1 Eurex Clearing AG treats all data and information which relate to its Clearing Members, Clearing Agents, Non-Clearing Members, Registered Customers, ~~FCM Client~~ OTC IRS FCM Clients and Basic Clearing Members confidentially. Eurex Clearing AG shall be authorised – subject to applicable law – to transfer such data and information to competent supervisory authorities or other authorised third parties domestic or abroad which are subject to confidentiality regulations with respect to such data and information comparable to those of Eurex Clearing AG.

Other customer-related information may only be passed on by Eurex Clearing AG if it is already publicly available or if it is legally required to be passed on or if the relevant Clearing Member, Clearing Agent, Non-Clearing Member, Registered Customer, ~~FCM Client~~ OTC IRS FCM Client and Basic Clearing Member has agreed to it.

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[...]

15.1.3 Notwithstanding the provisions in Number 15.1.1, Eurex Clearing AG shall also be entitled to transmit or to request from clearing and settlement institutions or independent auditors which are subject to confidentiality regulations comparable to those applicable to Eurex Clearing AG, all data and information which refer to Clearing Members, Clearing Agents, Non-Clearing Members, Registered Customers, ~~FCM Client~~ OTC IRS FCM Clients and Basic Clearing Members and which are necessary for the orderly conduct of the Clearing and for the fulfilment of Transactions.

[...]

16 Publications and Notices

16.1 If provided for in these Clearing Conditions, all notices from Eurex Clearing AG regarding these Clearing Conditions will be published (i) via electronic circular to the Clearing Members (which term shall, in this Number 16, include Clearing Members in their capacity as Clearing Agents), Non-Clearing Members, Registered Customers, ~~FCM Client~~ OTC IRS FCM Clients and Basic Clearing Members or (ii) on the Eurex Clearing AG website (www.eurexclearing.com) for at least three (3) Business Days. Such notices will become effective immediately upon publication, provided that changes and amendments to the Clearing Conditions will become effective in accordance with Number 17.2 and Number 17.3.

16.2 All notices to be given between Eurex Clearing AG and a Clearing Member or a Non-Clearing Member, Registered Customer, ~~FCM Client~~ OTC IRS FCM Client or Basic Clearing Member shall be given in such form and at such address as agreed and/or notified from time to time by the relevant party. Notices may be given in the German or in the English language. Upon written request by a Clearing Member, Non-Clearing Member, Registered Customer, ~~FCM Client~~ OTC IRS FCM Client or Basic Clearing Member all notices from Eurex Clearing AG (except for automated reports) to such requesting party shall be given in the German and in the English language or one of these languages. Unless otherwise specified in these Clearing Conditions notices by Clearing Members, Non-Clearing Members, Registered Customers, ~~FCM Client~~ OTC IRS FCM Clients or Basic Clearing Members may be made by telefax or e-mail. Forms published by Eurex Clearing AG must be used.

16.3 Each Clearing Member, Non-Clearing Member, Registered Customer, ~~FCM Client~~ OTC IRS FCM Client and Basic Clearing Member acknowledges that Eurex Clearing AG will send to Clearing Members, Non-Clearing Members, Registered Customers, ~~FCM Client~~ OTC IRS FCM Clients and Basic Clearing Members notices –and reports in the systems of Eurex Clearing AG in an area which is only individually accessible to it (the “**Access Area**”). Eurex Clearing AG is not entitled to access or change the Access Area of a Clearing Member, Non-Clearing Member, Registered Customer, ~~FCM Client~~ OTC IRS FCM Client or Basic Clearing Member without its consent. Reports and notifications stored in an Access Area will regularly be exchanged against new notices or reports within ten (10) Business Days of their storage in the Access Area.

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16.4 Each Clearing Member, Non-Clearing Member, Registered Customer, ~~FCM Client~~OTC IRS FCM Client and Basic Clearing Member acknowledges that the notices and reports which are made accessible in the individual Access Area may also contain declarations (*Willenserklärungen*), in particular acceptances (*Annahmen*) of Transactions and other declarations of particular importance.

17 Miscellaneous

[...]

17.2 Changes and Amendments to the Clearing Conditions

[...]

17.2.2 Unless otherwise provided for in these Clearing Conditions, such publication will be made to all affected Clearing Members, affected Non-Clearing-Members, affected Registered Customers, affected ~~FCM Client~~OTC IRS FCM Clients and/or affected Basic Clearing Members ("**Affected Customers**") at least fifteen (15) Business Days prior to the effective date fixed in the relevant notice ("**Regular Notification Period**").

[...]

17.2.4 "**Special Provisions**" are

- Numbers 1.5, 6, 7, 9, 16.1, 17.2 and 17.3,
- Subpart C Number 2.1.2 and 3.3 of the Individual Clearing Model Provisions,
- Chapter III Part 2 Number 2.4 Paragraph (1),
- Chapter IV Part 2 Number 2.6 Paragraph (1) (b),
- Chapter V Part 2 Number 2.2.1 Paragraph (4),
- Chapter VIII Part 2 Number 2.2.5 Paragraph (7),
- Chapter IX Part 2 Number 2.6.4 Paragraph (4),
- Chapter IX Part 2 Number 2.7.2 Paragraph (2),
- each of the Appendices to the Clearing Conditions to the extent that clauses in such Appendices relate to the granting of powers of attorney, the granting of margin or the creation of security interests,
- the Procedures Manual to the extent the issues contained therein may have an impact on the risk management of Eurex Clearing AG, the Clearing Members, Non-Clearing-Members, Registered Customers, ~~FCM Client~~OTC IRS FCM Clients and Basic Clearing Members,
- the DMC Rules and the DM Auction Rules and
- any newly added provisions relating to the subject matter of these provisions.

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Rules or Agreements (except for those set forth in the preceding sentence), which are referred to in these provisions, do not qualify as Special Provisions.

- 17.2.5 Notwithstanding a prior Consultation (if any), Affected Customers may submit in writing to Eurex Clearing AG comments to any changes or amendments of the Clearing Conditions within the first 10 Business Days of the Regular Notification Period or the Prolonged Notification Period, as applicable. Eurex Clearing AG shall assess whether these comments prevent the published change or amendment from becoming effective taking into account the interests of Eurex Clearing AG, all Clearing Members, Non-Clearing-Members, Registered Customers, ~~FCM Client~~ OTC IRS FCM Clients and Basic Clearing Members. If necessary, Eurex Clearing AG will consult the EMIR Risk Committee within the scope of competence of the EMIR Risk Committee or, where required, seek advice from other sources. There is no obligation of Eurex Clearing AG to implement a comment. To the extent Eurex Clearing AG decides to implement comments of Affected Customers the relevant changes and amendments will be published again in accordance with the initial notification period (i.e. either a Regular Notification Period or a Prolonged Notification Period, as the case may be) there will, however, be no new assessment of the comments of the Affected Customers pursuant to this Number 17.2.5.

[...]

17.3 Consultation in case of changes and amendments of the Clearing Conditions

[...]

- 17.3.2 During a Consultation, Eurex Clearing AG will, taking into account the interests of Eurex Clearing AG and all Clearing Members, Non-Clearing-Members, Registered Customers, ~~FCM Client~~ OTC IRS FCM Clients and Basic Clearing Members assess the comments received by the Affected Customers in the Consultation and, if necessary, consult the EMIR Risk Committee within the scope of competence of the EMIR Risk Committee or, where required, seek advice from other sources. There is no obligation of Eurex Clearing AG to implement a comment. To the extent Eurex Clearing AG decides to accept proposed changes or amendments by Affected Customers, an amended version of the relevant changes or amendments taking into account the proposed changes or amendments will be published following the Consultation pursuant to Number 17.2; there shall be no new Consultation pursuant to Number 17.3.

[...]

Part 2 Elementary Clearing Model Provisions

1 Application of the Elementary Clearing Model Provisions

- 1.1 Eurex Clearing AG and a Clearing Member may enter into a Clearing Agreement in the form appended to the Clearing Conditions as Appendix 1 for the Clearing of Transactions under the Elementary Clearing Model Provisions pursuant to this Part 2. An ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member may enter into a Clearing Agreement

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in the form appended to the Clearing Conditions as Appendix 1 for the Clearing of Own Transactions only.

Further, Eurex Clearing AG, a Clearing Member and a Non-Clearing Member or a Registered Customer may enter into a Clearing Agreement in the form appended to the Clearing Conditions as Appendix 2 for the Clearing of Transactions under the Elementary Clearing Model Provisions pursuant to this Part 2.

- 1.2 Any Transaction between the Clearing Member and Eurex Clearing AG which is subject to the Elementary Clearing Model Provisions shall either be concluded as an Own Transaction or as an Elementary Omnibus Transaction. The term **"Elementary Omnibus Transaction"** comprises each Customer-Related Transaction, NCM-Related Transaction and RC-Related Transaction that is subject to the Elementary Clearing Model Provisions. Any NCM-Related Transaction or RC-Related Transaction concluded under an ICM Clearing Agreement is a **"Covered Transaction"**. Any Net Omnibus Eligible Transaction concluded under a Net Omnibus Clearing Agreement which has been booked to a Net Omnibus Customer Account, a Net Omnibus NCM Account or a Net Omnibus RC Account and which is therefore subject to the Net Omnibus Clearing Model Provisions is a **"Net Omnibus Transaction"**. Any Transaction concluded between Eurex Clearing AG and an FCM-Client OTC IRS FCM Client under a Clearing Agreement in the form appended to the Clearing Conditions as Appendix 10 is a **"FCM-Client OTC IRS FCM Client Transaction"**. Any Transaction concluded between Eurex Clearing AG and a Basic Clearing Member under a Basic Clearing Member Clearing Agreement is a **"Basic Clearing Member Transaction"**.

2 Content of Clearing Agreement and the Standard Agreements

2.1 Construction

[...]

- 2.1.3 Each of the following arrangements in paragraphs (i) – (iii) below shall for the purposes of these Clearing Conditions constitute a separate arrangement (each such arrangement hereinafter referred to as a **"Standard Agreement"**):
- (i) The **"Elementary Proprietary Standard Agreement"** comprising all rights and obligations between Eurex Clearing AG and the relevant Clearing Member with respect to Own Transactions under the Clearing Agreement pursuant to Number 2.1.1.
 - (ii) The **"Elementary Omnibus Standard Agreement"** comprising all rights and obligations between Eurex Clearing AG and the relevant Clearing Member with respect to Elementary Omnibus Transactions under all Clearing Agreements pursuant to Numbers 2.1.1 and 2.1.2, or, in case of multiple Elementary Omnibus Standard Agreements pursuant to Number 2.3, each such Elementary Omnibus Standard Agreement (the Elementary Proprietary Standard Agreement and each Elementary Omnibus Standard Agreement an **"Elementary Standard Agreement"**).
 - (iii) Unless otherwise agreed between the relevant Clearing Member and the relevant Non-Clearing Member/Registered Customer, all rights and obligations between the

relevant Clearing Member and the relevant Non-Clearing Member or Registered Customer with respect to Transactions under a Clearing Agreement pursuant to Number 2.1.2 corresponding to the relevant NCM-Related Transactions or RC-Related Transactions of the Clearing Member.

References in the Elementary Clearing Model Provisions to a Standard Agreement shall be construed so as to exclude any Standard Agreement pursuant to the Individual Clearing Model Provisions, the Net Omnibus Clearing Model Provisions, any ~~FCM Client~~ OTC IRS FCM Client Standard Agreement pursuant to the U.S. Clearing Model Provisions and any Basic Clearing Member Standard Agreement pursuant to the Basic Clearing Member Provisions.

[...]

6 Margin

[...]

6.5 Delivery of Eligible Margin Assets in the form of Cash

[...]

- (v) (A) all present and future claims of Eurex Clearing AG against the Clearing Member (in its capacity as ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member) or the relevant ~~FCM Client~~ OTC IRS FCM Client pursuant to the U.S. Clearing Model Provisions and (B) any present and future Difference Claim then unconditional and due and payable, but unpaid, by any ~~FCM Client~~ OTC IRS FCM Client of such ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member pursuant to the U.S. Clearing Model Provisions (the “**Secured U.S. Clearing Model Difference Claim**”, and together with the claims under (A), the “**Secured U.S. Clearing Model Claims**”), and

[...]

8 Consequences of a Termination Event or Insolvency Termination Event and a Termination Date

[...]

8.3 Porting of assets and positions in relation to Elementary Omnibus Standard Agreements

This Number 8.3 shall apply with respect to a Clearing Member (other than an ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member or a Clearing Member in its capacity as Clearing Agent), if Eurex Clearing AG has determined based on the legal circumstances in the jurisdiction where such Clearing Member is domiciled that the porting mechanics contemplated herein shall be applicable with respect to such Clearing Member. Eurex Clearing AG will publish a list of the relevant jurisdictions from time to time.

[...]

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8.7 Realisation of Margin

[...]

8.7.2 In case the Asset Based Allocation is the Applicable Allocation Method, Eurex Clearing AG:

(A) shall enforce and realise the Eligible Margin Assets in the form of Securities which are credited to the Pledged Securities Account and shall apply the proceeds in the following order of priority:

[...]

- (ii) second, (only to the extent Segregated Margin, ~~FCM-Client~~ OTC IRS FCM Client Margin, Net Omnibus Margin and/or Elementary Omnibus Margin (as applicable) is, for whatever reason, not sufficient for such purpose) with respect to the Secured ICM Difference Claims, each Secured Net Omnibus Difference Claim, each Secured Elementary Omnibus Difference Claim (if any) and/or each Secured U.S. Clearing Model Difference Claim, and

[...]

Part 3 The Individual Clearing Model Provisions

[...]

Part 3 Subpart A: General Provisions for ICM-ECD and ICM-CCD

[...]

2 Standard Agreements between Eurex Clearing AG and the Clearing Member

2.1 Construction and Prerequisites

[...]

2.1.2 Upon execution of an ICM Clearing Agreement with a specific ICM Client, all rights and obligations between Eurex Clearing AG and the Clearing Member with respect to Covered Transactions under such ICM Clearing Agreement shall for the purpose of these Clearing Conditions constitute a separate arrangement (each such relevant separate arrangement is a Standard Agreement between Eurex Clearing AG and the Clearing Member pursuant to the Individual Clearing Model Provisions).

Covered Transactions, Segregated Margin, Segregated Variation Margin, Redelivery Claims and any other rights and obligations under such Standard Agreement relating to such ICM Client will be separate from those Covered Transactions, Segregated Margin, Segregated Variation Margin and Redelivery Claims or Non-Covered Transactions,

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Margin, Variation Margin and Redelivery Claims as well as other rights and obligations under any other Standard Agreement established under any other Clearing Agreement pursuant to the Clearing Conditions.

References in these Individual Clearing Model Provisions to the relevant Standard Agreement between Eurex Clearing AG and the Clearing Member or references to the Difference Claim between Eurex Clearing AG and the Clearing Member shall be construed solely by reference to the ICM Clearing Agreement and a certain ICM Client (and shall therefore exclude the relevant Standard Agreement and Difference Claims under any other ICM Clearing Agreement as well as the relevant Standard Agreement and Difference Claims pursuant to the Elementary Clearing Model Provisions and the Net Omnibus Clearing Model Provisions, the relevant ~~FCM Client~~ OTC IRS FCM Client Standard Agreement and Difference Claims under the U.S. Clearing Model Provisions and the relevant Basic Clearing Member Standard Agreement and Difference Claims under the Basic Clearing Member Provisions).

[...]

11 Re-Establishment of Transactions upon request by ICM-Client

This Number 11 shall apply with respect to a Clearing Member (other than an OTC IRS FCM Clearing Member or a Clearing Member in its capacity as Clearing Agent), if Eurex Clearing AG has determined based on the legal circumstances in the jurisdiction where such Clearing Member is domiciled that the porting mechanics contemplated herein shall be applicable with respect to such Clearing Member. Eurex Clearing AG will publish the relevant jurisdictions from time to time.

[...]

Part 5 U.S. Clearing Model Provisions

1 Application of the U.S. Clearing Model Provisions; General Provisions

1.1 The provisions set forth in this Part 5 apply to Clearing services provided by Eurex Clearing AG with respect to ~~FCM Clearing Member~~ OTC IRS FCM Clearing Members that clear OTC Interest Rate Derivative Transactions for the account of ~~FCM Client~~ OTC IRS FCM Clients (as defined below).

1.2 An ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member may clear OTC Interest Rate Derivative Transactions for the account of a customer in accordance with this Part 5 (each such customer, an **“FCM Client OTC IRS FCM Client”**) and only if Eurex Clearing AG, the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member and the relevant ~~FCM Client~~ OTC IRS FCM Client have entered into a Clearing Agreement in the form appended to the Clearing Conditions as Appendix 10 and provided that the ~~FCM Client~~ OTC IRS FCM Client meets the following requirements:

- (1) The ~~FCM Client~~ OTC IRS FCM Client must be an entity that is legally organised and has its principal place of business in a state or district of the United States of America.
- (2) The ~~FCM Client~~ OTC IRS FCM Client has a technical connection to the systems of Eurex Clearing AG.
- (3) The ~~FCM Client~~ OTC IRS FCM Client may not be an Affiliate of the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member. “Affiliate” means with respect to an ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member, any entity that controls, directly or indirectly, the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member, any entity controlled, directly or indirectly, by the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member or any entity directly or indirectly under common control with such ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member. For this purpose, “control” of an entity or of an ~~an FCM Clearing Member~~ OTC IRS FCM Clearing Member means ownership of a majority of the voting power of the entity or the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member. The term Affiliate also covers any legal entity, corporation, partnership, association, trust, sovereign state, or agency whose account, when carried by the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member, would be considered a proprietary account pursuant to CFTC Regulation 1.3(y) (or any successor or replacement regulation thereto).

1.3 The ~~FCM Client~~ OTC IRS FCM Client Standard Agreement and any ~~FCM Client~~ OTC IRS FCM Client Transaction will be directly established between Eurex Clearing AG and the ~~FCM Client~~ OTC IRS FCM Client as further set out in this Part 5.

If the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member clears Own Transactions, the provisions relating to Own Transactions of Clearing Members in Part 1 and Part 2 apply unless otherwise stated therein.

1.4 If OTC Interest Rate Derivative Transactions relate to ~~FCM Client~~ OTC IRS FCM Clients, such OTC Interest Rate Derivative Transactions are concluded between Eurex Clearing AG and the relevant ~~FCM Client~~ OTC IRS FCM Client (each an **“FCM Client OTC IRS FCM Client Transaction”**) as follows:

- (1) Whenever
 - (i) an Original OTC Transaction to which an ~~FCM Client~~ OTC IRS FCM Client is a party is submitted to Eurex Clearing AG by an ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member on behalf of an ~~FCM Client~~ OTC IRS FCM Client or, if approved by the relevant ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member, by an ~~FCM Client~~ OTC IRS FCM Client for the Clearing under the U.S. Clearing Model Provisions, either directly or via a third party information provider, as provided for in the Special Clearing Provisions, and
 - (ii) Eurex Clearing AG accepts such Original OTC Transaction for inclusion in the Clearing in accordance with the Special Clearing Provisions,

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Eurex Clearing AG will, subject to the following provisions, interpose itself by means of a novation as central counterparty between the parties of the Original OTC Transaction.

Any novation of Original OTC Transactions shall be subject to the novation procedures, criteria and effectiveness requirements specified in the Special Clearing Provisions. The OTC Interest Rate Derivative Transactions resulting from the novation shall not be subject to the valid existence of the Original OTC Transaction (abstract novation).

The Original OTC Transaction shall – subject to the Special Clearing Provisions – upon the novation becoming effective be replaced by two OTC Interest Rate Derivative Transactions, each on terms that are identical to the terms of the other OTC Interest Rate Derivative Transaction, between Eurex Clearing AG and the relevant Clearing Member(s) or ~~FCM Client~~ OTC IRS FCM Client(s) (as applicable).

If an ~~FCM Client~~ OTC IRS FCM Client is a counterparty to the Original OTC Transaction, upon the novation becoming effective, the relevant new OTC Interest Rate Derivative Transaction shall be concluded directly between Eurex Clearing AG and the ~~FCM Client~~ OTC IRS FCM Client.

Number 1.2.2 Paragraph (2) of the General Clearing Conditions shall not apply to the conclusion of OTC Interest Rate Derivative Transactions between Eurex Clearing AG and an ~~FCM Client~~ OTC IRS FCM Client.

- (2) To the extent that a counterparty to the Original OTC Transaction is not an ~~FCM Client~~ OTC IRS FCM Client, the provisions under Number 1.2.2 Paragraph (2) of the General Clearing Provisions remain unaffected.
- (3) Before an ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member submits to Eurex Clearing AG an Original OTC Transaction to which an ~~FCM Client~~ OTC IRS FCM Client is a party, such ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member shall obtain the required instruction from the ~~FCM Client~~ OTC IRS FCM Client.

[...]

- (5) Any ~~FCM Client~~ OTC IRS FCM Client Transaction shall be concluded as a proprietary Transaction of the relevant ~~FCM Client~~ OTC IRS FCM Client only. The ~~FCM Client~~ OTC IRS FCM Client may not clear customer-related Transactions.

1.5 The ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member may, subject to the provisions of this Part 5 and the Special Clearing Conditions, provide clearing services to an ~~FCM Client~~ OTC IRS FCM Client on terms and conditions mutually agreed between the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member and the ~~FCM Client~~ OTC IRS FCM Client (the “~~FCM Client~~ OTC IRS FCM Client Clearing Agreement”).

- 1.6 Agency Relationship between ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member and ~~FCM Client~~ OTC IRS FCM Client; ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member Guarantee**
- 1.6.1 In relation to ~~FCM Client~~ OTC IRS FCM Client Transactions, the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member acts as agent (for purposes of CFTC Regulation 39.12 (b) (6)) on behalf and for the account of the ~~FCM Client~~ OTC IRS FCM Client and the entire clearing relationship shall be administered and settled through the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member (or any Replacement ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member) as further set out in this Part 5.
- 1.6.2 Unless otherwise provided in these Clearing Conditions and subject to this Part 5, the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member will, in respect of any ~~FCM Client~~ OTC IRS FCM Client Transaction, act on behalf and for the account of the ~~FCM Client~~ OTC IRS FCM Client.
- 1.6.3 By entering into the Clearing Agreement with Eurex Clearing AG and the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member, the ~~FCM Client~~ OTC IRS FCM Client irrevocably authorises (*bevollmächtigt*) the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member to issue, submit and receive, also on behalf of the ~~FCM Client~~ OTC IRS FCM Client, all statements (including, without limitation, any notice, termination notice or other declaration to and from Eurex Clearing AG) and to take and accept all other acts on behalf of the ~~FCM Client~~ OTC IRS FCM Client that are necessary or expedient to effect ~~FCM Client~~ OTC IRS FCM Client Transactions and for the performance by or to the ~~FCM Client~~ OTC IRS FCM Client of obligations arising thereunder or under the Clearing Conditions.
- 1.6.4 If an Original OTC Transaction has been submitted to Eurex Clearing AG by the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member (either directly or via a third party information provider) and such submission states that the ~~FCM Client~~ OTC IRS FCM Client is a party to such Original OTC Transaction, the ~~FCM Client~~ OTC IRS FCM Client, by entering into the Clearing Agreement, agrees to be legally bound by the OTC Interest Rate Derivative Transaction established between Eurex Clearing AG and the ~~FCM Client~~ OTC IRS FCM Client in accordance with Number 1.4 above and acknowledges that no further specific agreement to be legally bound shall be required to be given by the ~~FCM Client~~ OTC IRS FCM Client at the time of the conclusion of such OTC Interest Rate Derivative Transaction.
- 1.6.5 For as long as the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member acts as agent for the ~~FCM Client~~ OTC IRS FCM Client in accordance with this Part 5, the ~~FCM Client~~ OTC IRS FCM Client and Eurex Clearing AG shall discharge all present and future delivery and payment obligations which may arise under the relevant ~~FCM Client~~ OTC IRS FCM Client Standard Agreement or the ~~FCM Client~~ OTC IRS FCM Client Transactions to each other by payment and delivery, respectively, only through the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member.
- 1.6.6 The ~~FCM Client~~ OTC IRS FCM Client and Eurex Clearing AG agree that (without prejudice to Number 1.6.5) Eurex Clearing AG is entitled and obliged to discharge all present and future delivery and payment obligations (including, without limitation, any

Difference Claim of the ~~FCM Client~~ OTC IRS FCM Client against Eurex Clearing AG that may arise pursuant to the provisions of Numbers 8 or 9 and any difference claim of the ~~FCM Client~~ OTC IRS FCM Client against Eurex Clearing AG that may arise pursuant to Chapter I Part 1 Number 9 of the Clearing Conditions) which may arise under the relevant ~~FCM Client~~ OTC IRS FCM Client Standard Agreement or the ~~FCM Client~~ OTC IRS FCM Client Transactions solely by payment and delivery, respectively, to the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member and, following the occurrence of a U.S. Bankruptcy Event (as defined in Number 8.1.2) with respect to the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member, to the Bankruptcy Trustee (as defined in Number 8.7.2) of the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member. Any such payment or delivery by Eurex Clearing AG to the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member or its Bankruptcy Trustee will discharge (*erfüllen*) the relevant payment or delivery obligation of Eurex Clearing AG to the ~~FCM Client~~ OTC IRS FCM Client under the ~~FCM Client~~ OTC IRS FCM Client Standard Agreement or the ~~FCM Client~~ OTC IRS FCM Client Transactions. The ~~FCM Client~~ OTC IRS FCM Client hereby irrevocably authorises the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member to collect any Difference Claim of the ~~FCM Client~~ OTC IRS FCM Client against Eurex Clearing AG that may arise pursuant to the provisions of Numbers 8 or 9 and any difference claim of the ~~FCM Client~~ OTC IRS FCM Client against Eurex Clearing AG that may arise pursuant to Chapter I Part 1 Number 9 of the Clearing Conditions and the ~~FCM Client~~ OTC IRS FCM Client agrees that such authorisation may not be revoked as a result of the occurrence of a U.S. Bankruptcy Event with respect to the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member.

Eurex Clearing AG agrees that (without prejudice to the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member's obligations arising under the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member Guarantee and to Number 1.6.5) the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member is entitled to discharge (*erfüllen*) all present and future delivery and payment obligations of the ~~FCM Client~~ OTC IRS FCM Client which may arise under the relevant ~~FCM Client~~ OTC IRS FCM Client Standard Agreement or the ~~FCM Client~~ OTC IRS FCM Client Transactions by payment and delivery, respectively, to Eurex Clearing AG. Any such payment or delivery by the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member to Eurex Clearing AG will discharge (*erfüllen*) the relevant payment or delivery obligation of the ~~FCM Client~~ OTC IRS FCM Client to Eurex Clearing AG under the ~~FCM Client~~ OTC IRS FCM Client Standard Agreement or the ~~FCM Client~~ OTC IRS FCM Client Transactions.

1.6.7 By entering into the Clearing Agreement with Eurex Clearing AG and the ~~FCM Client~~ OTC IRS FCM Client, the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member grants the following unlimited guarantee to Eurex Clearing AG (the "**FCM Clearing Member OTC IRS FCM Clearing Member Guarantee**"):

- (1) The ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member unconditionally and irrevocably guarantees (*garantiert*) upon first demand (*auf erstes Anfordern*) by Eurex Clearing AG by way of an independent abstract obligation to perform (*selbständiges, abstraktes Leistungsversprechen*) to Eurex Clearing AG the due and punctual performance by the ~~FCM Client~~ OTC IRS FCM Client of all present and future obligations of the ~~FCM Client~~ OTC IRS FCM Client (including, without

limitation, any payment and delivery obligations, such as any Difference Claim) that are or will be owed by the ~~FCM Client~~ OTC IRS FCM Client to Eurex Clearing AG under or in connection with any Clearing Agreement, the relevant ~~FCM Client~~ OTC IRS FCM Client Standard Agreement and/or any ~~FCM Client~~ OTC IRS FCM Client Transaction.

- (2) The ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member Guarantee constitutes an unsubordinated obligation of the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member and shall rank at least *pari passu* with any other unsubordinated obligations of the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member (save for secured obligations, to the extent of the collateral provided, and any mandatory provisions of law).
- (3) The ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member Guarantee is a continuing guarantee and will extend to all obligations that are or will be owed by the ~~FCM Client~~ OTC IRS FCM Client to Eurex Clearing AG under or in connection with any Clearing Agreement, any ~~FCM Client~~ OTC IRS FCM Client Standard Agreement and/or any ~~FCM Client~~ OTC IRS FCM Client Transaction, regardless of any intermediate payment or discharge in whole or in part. If any discharge, release or arrangement is avoided or must be restored in insolvency, liquidation, administration or otherwise, without limitation, then the liability of the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member under the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member Guarantee will continue or be reinstated as if the discharge, release or arrangement had not occurred. Performance under the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member Guarantee may also be required if Eurex Clearing AG had received any performance from the ~~FCM Client~~ OTC IRS FCM Client, but was subsequently required to repay the amount received, or return the performance received, in accordance with any provisions of mandatory law (including, without limitation, insolvency, liquidation or administration provisions) and has made the relevant payment or return.
- (4) The obligations of the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member under the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member Guarantee shall, subject to Number 1.6.8 below, be separate and independent from the obligations of the ~~FCM Client~~ OTC IRS FCM Client vis-à-vis Eurex Clearing AG and shall exist irrespective of the legality, validity and binding effect or enforceability of Eurex Clearing AG's claims against the ~~FCM Client~~ OTC IRS FCM Client. The ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member may, in respect of its obligations under the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member Guarantee, not raise any objections that the ~~FCM Client~~ OTC IRS FCM Client may have in respect of its obligations vis-à-vis Eurex Clearing AG (including, without limitation, any personal defences of the ~~FCM Client~~ OTC IRS FCM Client (*Einreden des Hauptschuldners*) or any right of revocation (*Anfechtung*) or set-off (*Aufrechnung*) of the ~~FCM Client~~ OTC IRS FCM Client). The ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member Guarantee does not constitute a suretyship (*Bürgschaft*) and no rights of Eurex Clearing AG shall pass to the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member upon the payment of any amount under the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member Guarantee.

- (5) The ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member waives any right it may have of first requiring Eurex Clearing AG to proceed against or enforce any other rights or security or claim payment from any person (including the ~~FCM Client~~ OTC IRS FCM Client) before claiming from the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member under the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member Guarantee.
- (6) If the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member is required by law to make any deductions or withholdings from payments under the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member Guarantee, the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member shall pay such additional amounts as may be necessary in order that the net amount received by Eurex Clearing AG after such deductions or withholdings (including any required deduction or withholding on such additional amounts) shall equal the amount that Eurex Clearing AG would have received had no such deductions or withholdings been made.

- 1.6.8 The obligations of the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member under the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member Guarantee and the obligations of the ~~FCM Client~~ OTC IRS FCM Client to which the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member Guarantee relates shall not constitute a joint and several liability (*keine Gesamtschuld*). If and to the extent the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member has discharged any obligation subsisting under the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member Guarantee, the corresponding obligation of the ~~FCM Client~~ OTC IRS FCM Client to Eurex Clearing AG shall be discharged.
- 1.6.9 Any recourse, reimbursement or other claims of the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member against the ~~FCM Client~~ OTC IRS FCM Client resulting from the performance by the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member of any claims arising under the relevant Clearing Agreement (including under the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member Guarantee) or of any obligations of the ~~FCM Client~~ OTC IRS FCM Client are solely a matter of, and subject to, the ~~FCM Client~~ OTC IRS FCM Client Clearing Agreement, unless otherwise set out in this Part 5.
- 1.6.10 The ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member shall participate in any default management process in accordance with the General Clearing Provisions. The ~~FCM Client~~ OTC IRS FCM Client shall not be obliged or entitled to participate in any default management process.

2 Content of Clearing Agreement and ~~FCM Client~~ OTC IRS FCM Client Standard Agreement

2.1 Construction

- 2.1.1 If a Clearing Agreement in the form appended to the Clearing Conditions as Appendix 10 is entered into by Eurex Clearing AG, an ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member and an ~~FCM Client~~ OTC IRS FCM Client, such Clearing Agreement will provide for terms and conditions applying (i) between Eurex Clearing AG, the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member and the ~~FCM Client~~ OTC IRS FCM Client and (ii) between Eurex Clearing AG and the ~~FCM Client~~ OTC IRS FCM Client with respect to the

~~FCM Client~~OTC IRS ~~FCM Client~~ Standard Agreement and the ~~FCM Client~~OTC IRS ~~FCM Client~~ Transactions of such ~~FCM Client~~OTC IRS ~~FCM Client~~.

- 2.1.2 All rights and obligations between Eurex Clearing AG and the ~~FCM Client~~OTC IRS ~~FCM Client~~ with respect to ~~FCM Client~~OTC IRS ~~FCM Client~~ Transactions under the Clearing Agreement pursuant to Number 2.1.1 shall constitute a separate arrangement (each such arrangement a "**~~FCM Client~~OTC IRS ~~FCM Client~~ Standard Agreement**"). All ~~FCM Client~~OTC IRS ~~FCM Client~~ Transactions and all Redelivery Claims between Eurex Clearing AG and the relevant ~~FCM Client~~OTC IRS ~~FCM Client~~ arising pursuant to the U.S. Clearing Model Provisions under the relevant ~~FCM Client~~OTC IRS ~~FCM Client~~ Standard Agreement form a single agreement between the parties and such agreement constitutes a separate master agreement (*Rahmenvertrag*) between such parties which (subject to provisions in this Chapter I on the termination of individual ~~FCM Client~~OTC IRS ~~FCM Client~~ Transactions and subject to the provisions of this Part 5 stipulating specific requirements for terminations) can be terminated only in its entirety.

~~FCM Client~~OTC IRS ~~FCM Client~~ Transactions, ~~FCM Client~~OTC IRS ~~FCM Client~~ Margin, ~~FCM Client~~OTC IRS ~~FCM Client~~ Variation Margin, Redelivery Claims and any other rights and obligations under each ~~FCM Client~~OTC IRS ~~FCM Client~~ Standard Agreement relating to the relevant ~~FCM Client~~OTC IRS ~~FCM Client~~ will be separate from:

- (a) all ~~FCM Client~~OTC IRS ~~FCM Client~~ Transactions, ~~FCM Client~~OTC IRS ~~FCM Client~~ Margin, ~~FCM Client~~OTC IRS ~~FCM Client~~ Variation Margin, any Redelivery Claims, and any other rights and obligations under any other ~~FCM Client~~OTC IRS ~~FCM Client~~ Standard Agreement relating to any other ~~FCM Client~~OTC IRS ~~FCM Client~~ (if any),
- (b) all Own Transactions, Margin, Variation Margin, any Redelivery Claims and any other rights and obligations under the Elementary Proprietary Standard Agreement of the ~~FCM Clearing Member~~OTC IRS ~~FCM Clearing Member~~ with Eurex Clearing AG, and

[...]

- 2.1.3 The ~~FCM Clearing Member~~OTC IRS ~~FCM Clearing Member~~ and the ~~FCM Client~~OTC IRS ~~FCM Client~~ may, in their ~~FCM Client~~OTC IRS ~~FCM Client~~ Clearing Agreement, agree on additional terms to the Clearing Agreement in the form appended to the Clearing Conditions as Appendix 10 to the extent those additional terms do not conflict with such Clearing Agreement. In the event of any inconsistencies between any such ~~FCM Client~~OTC IRS ~~FCM Client~~ Clearing Agreement (as amended from time to time) and the Clearing Agreement, the Clearing Agreement shall always prevail.

2.2 **General principles applicable to the settlement of ~~FCM Client~~OTC IRS ~~FCM Client~~ Transactions and any Delivery and Redelivery of ~~FCM Client~~OTC IRS ~~FCM Client~~ Margin or ~~FCM Client~~OTC IRS ~~FCM Client~~ Variation Margin**

- 2.2.1 Subject to Numbers 1.6.5 and 1.6.6, each party to the ~~FCM Client~~OTC IRS ~~FCM Client~~ Standard Agreement (and, with respect to any obligations of the ~~FCM Client~~OTC IRS ~~FCM Client~~, the relevant ~~FCM Clearing Member~~OTC IRS ~~FCM Clearing Member~~ pursuant to the ~~FCM Clearing Member~~OTC IRS ~~FCM Clearing Member~~ Guarantee) shall

be obliged to fulfil any payment obligations under the ~~FCM Client~~ OTC IRS FCM Client Transactions or obligations to deliver or redeliver cover in respect of either the ~~FCM Client~~ OTC IRS FCM Client Margin in the form of cash or the ~~FCM Client~~ OTC IRS FCM Client Variation Margin under the relevant ~~FCM Client~~ OTC IRS FCM Client Standard Agreement by transferring to the transferee all right, title and interest in and to the Eligible Margin Assets in the form of cash free and clear of any and all rights and claims of the transferring party and of any third person, howsoever arising, including, without limitation, pursuant to applicable law or regulation or under any statutory or other trust. The value of such assets shall, as of the date the transfer is effected, be at least equal to the value at that date of the concerned payment or delivery obligation.

2.2.2 The actual payment of Eligible Margin Assets in the form of cash in respect of ~~FCM Client~~ OTC IRS FCM Client Margin or ~~FCM Client~~ OTC IRS FCM Client Variation Margin gives rise to a corresponding contractual claim of the margin provider against the margin taker for repayment of equivalent assets in the same amount as such Eligible Margin Assets actually delivered (or increases an already existing repayment or redelivery claim; each such claim shall be referred to as a **“Redelivery Claim”**). Each such Redelivery Claim shall be allocated to the relevant ~~FCM Client~~ OTC IRS FCM Client Standard Agreement.

In the case of ~~FCM Client~~ OTC IRS FCM Client Margin in the form of cash, only the ~~FCM Client~~ OTC IRS FCM Client may be the creditor of the relevant Redelivery Claim and in the case of ~~FCM Client~~ OTC IRS FCM Client Variation Margin, Eurex Clearing AG or the ~~FCM Client~~ OTC IRS FCM Client may be the creditor of the relevant Redelivery Claim.

For the purpose of the relevant Redelivery Claim, the term **“equivalent”** means the same amount in the same currency as such Eligible Margin Assets actually delivered in respect of the ~~FCM Client~~ OTC IRS FCM Client Margin or the ~~FCM Client~~ OTC IRS FCM Client Variation Margin.

A Redelivery Claim will become due with respect to (i) ~~FCM Client~~ OTC IRS FCM Client Margin in the form of cash (a) upon receipt of a respective declaration from the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member (on behalf of the ~~FCM Client~~ OTC IRS FCM Client) by Eurex Clearing AG prior to the then applicable cut-off time of any Business Day, as specified by Eurex Clearing AG on its website www.eurexclearing.com for cash with respect to the relevant currency and if and to the extent the relevant applicable Default ~~FCM Client~~ OTC IRS FCM Client Margin Requirement (as defined in Number 5.2) is below the aggregate value of all Eligible Margin Assets actually delivered in respect of the ~~FCM Client~~ OTC IRS FCM Client Margin or (b) in accordance with Number 5.3.1 Paragraph (3) and (ii) with respect to the ~~FCM Client~~ OTC IRS FCM Client Variation Margin in accordance with Number 6, in each case provided that no ~~FCM Client~~ OTC IRS FCM Client Termination Date or Termination Date has occurred with respect to the ~~FCM Client~~ OTC IRS FCM Client or its ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member, respectively.

2.2.3 Subject to Number 3.2.2 Paragraph (2) and (3) of the General Clearing Provisions, the term **“actually delivered”** when used in the U.S. Clearing Model Provisions means

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- (i) the actual credit of an Eligible Margin Asset in the form of cash to the relevant Eurex Clearing AG cash account or, as the case may be, the actual entry on the Internal ~~FCM Client~~OTC IRS ~~FCM Client~~ Margin Account pursuant to Number 5.3.1 Paragraph (3), or
- (ii) an Eligible Margin Asset in the form of Securities has been credited to the relevant ~~FCM Client~~OTC IRS ~~FCM Client~~ Pledged Securities Account and such Eligible Margin Asset is subject to a valid pledge in accordance with Number 5.7.1 Paragraph (3), or
- (iii) in the event of a set-off pursuant to Number 4, the legal effectiveness of such set-off.

The term “**actual delivery**” shall be interpreted accordingly.

Where reference is made in the U.S. Clearing Model Provisions to the “**aggregate value**” of Eligible Margin Assets in connection with the assessment of compliance with the Default ~~FCM Client~~OTC IRS ~~FCM Client~~ Margin Requirement or an obligation to deliver or redeliver cover in respect of the ~~FCM Client~~OTC IRS ~~FCM Client~~ Margin or the ~~FCM Client~~OTC IRS ~~FCM Client~~ Variation Margin, as applicable, the aggregate value will be determined by Eurex Clearing AG in accordance with Number 3.2.2 of the General Clearing Provisions.

2.3 Obligation of the ~~FCM Clearing Member~~OTC IRS ~~FCM Clearing Member~~ to forward Assets

Whenever (a) the ~~FCM Clearing Member~~OTC IRS ~~FCM Clearing Member~~ has received from Eurex Clearing AG a cash amount to settle an ~~FCM Client~~OTC IRS ~~FCM Client~~ Transaction, (b) the ~~FCM Clearing Member~~OTC IRS ~~FCM Clearing Member~~ has received from Eurex Clearing AG Eligible Margin Assets in the form of cash to deliver or redeliver cover in respect of ~~FCM Client~~OTC IRS ~~FCM Client~~ Margin or ~~FCM Client~~OTC IRS ~~FCM Client~~ Variation Margin under the relevant ~~FCM Client~~OTC IRS ~~FCM Client~~ Standard Agreement or (c) a pledge over Eligible Margin Assets in the form of Securities that have been provided as ~~FCM Client~~OTC IRS ~~FCM Client~~ Margin to Eurex Clearing AG has lapsed or has been released, the ~~FCM Clearing Member~~OTC IRS ~~FCM Clearing Member~~ shall – always subject to Number 5.3.1 Paragraph (3) and any applicable termination provisions (including, without limitation, Number 8.1) – promptly transfer the same cash amount or the same amount of equivalent Eligible Margin Assets to the relevant ~~FCM Client~~OTC IRS ~~FCM Client~~ or credit such cash amount or such amount of equivalent Eligible Margin Assets to the ~~FCM Client~~OTC IRS ~~FCM Client~~ in the books and records of the ~~FCM Clearing Member~~OTC IRS ~~FCM Clearing Member~~. The same applies with respect to a redelivery of non-Eligible Margin Assets.

Whenever the ~~FCM Clearing Member~~OTC IRS ~~FCM Clearing Member~~ has received an amount of Eligible Margin Assets from the ~~FCM Client~~OTC IRS ~~FCM Client~~ for delivery of cover in respect of ~~FCM Client~~OTC IRS ~~FCM Client~~ Margin or ~~FCM Client~~OTC IRS ~~FCM Client~~ Variation Margin under the relevant ~~FCM Client~~OTC IRS ~~FCM Client~~ Standard Agreement to Eurex Clearing AG, the ~~FCM Clearing Member~~OTC IRS ~~FCM Clearing Member~~ shall promptly transfer (or, in the case of Securities, pledge) the same amount of equivalent Eligible Margin Assets to Eurex Clearing AG as ~~FCM Client~~OTC IRS ~~FCM Client~~

Client Margin or FCM Client OTC IRS FCM Client Variation Margin, as relevant, in respect of the FCM Client OTC IRS FCM Client Standard Agreement of such FCM Client OTC IRS FCM Client.

3 Internal Accounts; Books and Records

In addition to the internal accounts set out in Number 4.2 of the General Clearing Provisions, Eurex Clearing AG shall establish and maintain with respect to each FCM Clearing Member OTC IRS FCM Clearing Member (acting in its capacity as agent for one or more FCM Client OTC IRS FCM Clients pursuant to this Part 5) the following internal accounts:

3.1 Transaction Accounts

Eurex Clearing AG opens and maintains with respect to each FCM Clearing Member OTC IRS FCM Clearing Member one transaction account with respect to own transactions of each FCM Client OTC IRS FCM Client (each a "**FCM Client OTC IRS FCM Client Own Account**") in which the FCM Client OTC IRS FCM Client Transactions of the relevant FCM Client OTC IRS FCM Client shall be booked.

3.2 Internal Cash Accounts for FCM Client OTC IRS FCM Client Transactions

With respect to each currency accepted by it, Eurex Clearing AG shall establish and maintain for each FCM Client OTC IRS FCM Client of the FCM Clearing Member OTC IRS FCM Clearing Member one internal cash account for the settlement of claims, into which all daily settlement payments, fees and other cash payment obligations arising under FCM Client OTC IRS FCM Client Transactions or under the Clearing Conditions with respect or relating to the relevant FCM Client OTC IRS FCM Client Standard Agreement shall be booked.

The daily balance of each internal cash account (after taking into account the set-offs pursuant to the Clearing Conditions) shall be debited or credited, as the case may be, to the respective U.S. Clearing Member OTC IRS U.S. Clearing Member Cash Account of the FCM Clearing Member OTC IRS FCM Clearing Member to the extent that Eurex Clearing AG does not claim any credit balance in such account as FCM Client OTC IRS FCM Client Margin or FCM Client OTC IRS FCM Client Variation Margin.

3.3 Internal Margin Accounts for FCM Client OTC IRS FCM Client Standard Agreements

Eurex Clearing AG will establish and maintain for each FCM Clearing Member OTC IRS FCM Clearing Member an internal client margin account with respect to each FCM Client OTC IRS FCM Client Standard Agreement (each an "**Internal FCM Client OTC IRS FCM Client Margin Account**") in which all Eligible Margin Assets that have been actually delivered to Eurex Clearing AG as FCM Client OTC IRS FCM Client Margin in respect of such FCM Client OTC IRS FCM Client Standard Agreement will be recorded.

Subject to Numbers 5.3.1 Paragraph (3) and 5.3.2 Paragraph (3),

- (i) all credits and debits of Securities to the relevant FCM Client OTC IRS FCM Client Pledged Securities Account, and

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(ii) all daily cash credits or debits in respect of ~~FCM Client~~ OTC IRS FCM Client Margin to the ~~U.S. Clearing Member~~ OTC IRS U.S. Clearing Member Cash Accounts of the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member,

will be allocated to the relevant ~~FCM Client~~ OTC IRS FCM Client Standard Agreement and recorded on the relevant Internal ~~FCM Client~~ OTC IRS FCM Client Margin Account.

3.4 **Records of the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member; Method of assigning Eligible Margin Assets to an ~~FCM Client~~ OTC IRS FCM Client Standard Agreement**

The ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member shall establish and maintain records with respect to all ~~FCM Client~~ OTC IRS FCM Client Transactions under each ~~FCM Client~~ OTC IRS FCM Client Standard Agreement detailing (i) all ~~FCM Client~~ OTC IRS FCM Client Transactions, (ii) all payments under the ~~FCM Client~~ OTC IRS FCM Client Transactions, (iii) all ~~FCM Client~~ OTC IRS FCM Client Margin and ~~FCM Client~~ OTC IRS FCM Client Variation Margin actually delivered and (iv) all Redelivery Claims relating to such ~~FCM Client~~ OTC IRS FCM Client Standard Agreement.

The ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member shall establish and provide to Eurex Clearing AG a specific customer identifier with respect to each of its ~~FCM Client~~ OTC IRS FCM Clients. Any transfer by the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member (acting for the account of an ~~FCM Client~~ OTC IRS FCM Client) of Eligible Margin Assets in the form of cash to Eurex Clearing AG in respect of ~~FCM Client~~ OTC IRS FCM Client Margin or ~~FCM Client~~ OTC IRS FCM Client Variation Margin as well as of any Eligible Margin Assets in the form of Securities in respect of ~~FCM Client~~ OTC IRS FCM Client Margin to the relevant ~~FCM Client~~ OTC IRS FCM Client Pledged Securities Account shall clearly refer to the applicable customer identifier.

3.5 **Books and Records**

Eurex Clearing AG undertakes to maintain all books and records relating to ~~FCM Client~~ OTC IRS FCM Client Transactions in compliance with any applicable rules and regulations of the CFTC.

4 **Set-off**

4.1 Unless otherwise provided in the relevant Special Clearing Provisions, Eurex Clearing AG is at any time entitled to set off (i) its claims vis-à-vis an ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member (except for any claims under or in relation to the Elementary Proprietary Standard Agreement) against claims of such ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member (except for any claims under or in relation to the Elementary Proprietary Standard Agreement) vis-à-vis Eurex Clearing AG or (ii) Eurex Clearing AG's claims vis-à-vis an ~~FCM Client~~ OTC IRS FCM Client against claims of such ~~FCM Client~~ OTC IRS FCM Client vis-à-vis Eurex Clearing AG, in each case subject to and in accordance with the rules set forth below. For the avoidance of doubt, Eurex Clearing AG is not entitled to set off its claims vis-à-vis the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member against claims of an ~~FCM Client~~ OTC IRS FCM Client or to set off Eurex

Clearing AG's claims vis-à-vis one ~~FCM Client~~ OTC IRS FCM Client against claims of another ~~FCM Client~~ OTC IRS FCM Client.

~~FCM Clearing Member~~ OTC IRS FCM Clearing Members and ~~FCM Client~~ OTC IRS FCM Clients are only entitled to set off own claims that are uncontested or have been finally and non-appealably established with claims of Eurex Clearing AG.

- 4.2 Any claim of Eurex Clearing AG and the ~~FCM Client~~ OTC IRS FCM Client under an ~~FCM Client~~ OTC IRS FCM Client Standard Agreement, including claims to provide cover in respect of ~~FCM Client~~ OTC IRS FCM Client Margin or ~~FCM Client~~ OTC IRS FCM Client Variation Margin pursuant to Numbers 5 and 6, may only be set off against claims arising from ~~FCM Client~~ OTC IRS FCM Client Transactions under the same ~~FCM Client~~ OTC IRS FCM Client Standard Agreement or claims to provide cover in respect of ~~FCM Client~~ OTC IRS FCM Client Margin or ~~FCM Client~~ OTC IRS FCM Client Variation Margin pursuant to Numbers 5 and 6 of the respective other party under the same ~~FCM Client~~ OTC IRS FCM Client Standard Agreement.
- 4.3 Claims of Eurex Clearing AG arising under the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member Guarantee may not be set off against any claims of the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member against Eurex Clearing AG (unless such claims of the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member against Eurex Clearing AG are uncontested or have been finally and non-appealably established).

[...]

5 ~~FCM Client~~ OTC IRS FCM Client Margin

5.1 General Obligation to provide ~~FCM Client~~ OTC IRS FCM Client Margin

5.1.1 The ~~FCM Client~~ OTC IRS FCM Client is required to provide margin for all ~~FCM Client~~ OTC IRS FCM Client Transactions under the relevant ~~FCM Client~~ OTC IRS FCM Client Standard Agreement ("~~FCM Client~~ OTC IRS FCM Client Margin") in such amounts, in such forms and at such times as are required pursuant to this Number 5 and the Special Clearing Provisions.

5.1.2 The purpose of ~~FCM Client~~ OTC IRS FCM Client Margin actually delivered under the relevant ~~FCM Client~~ OTC IRS FCM Client Standard Agreement in the form of cash is to collateralise all claims (whether present, future, actual, contingent or prospective) of Eurex Clearing AG arising under ~~FCM Client~~ OTC IRS FCM Client Transactions, any Difference Claim and any other present and future claims of Eurex Clearing AG against the ~~FCM Client~~ OTC IRS FCM Client under the relevant ~~FCM Client~~ OTC IRS FCM Client Standard Agreement.

5.2 The Margin Requirement

5.2.1 The amount of Eligible Margin Assets to be delivered as cover in respect of the relevant Margin for each ~~FCM Client~~ OTC IRS FCM Client Standard Agreement shall be determined in accordance with Number 3.1 of the General Clearing Provisions also taking into account all Original OTC Transactions which are to be novated in the course of the novation process (the "~~Default FCM Client~~ OTC IRS FCM Client Margin Requirement").

- 5.2.2 Eurex Clearing AG will determine the Default ~~FCM Client~~ OTC IRS FCM Client Margin Requirement separately with respect to each ~~FCM Client~~ OTC IRS FCM Client Standard Agreement, based on the margin requirement for the ~~FCM Client~~ OTC IRS FCM Client Transactions included in the relevant ~~FCM Client~~ OTC IRS FCM Client Standard Agreement.
- 5.2.3 The Default ~~FCM Client~~ OTC IRS FCM Client Margin Requirement with respect to each ~~FCM Client~~ OTC IRS FCM Client Standard Agreement will be notified by Eurex Clearing AG to the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member and the relevant ~~FCM Client~~ OTC IRS FCM Client.
- 5.2.4 Non-compliance with the Default ~~FCM Client~~ OTC IRS FCM Client Margin Requirement by the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member (under the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member Guarantee) shall constitute a Termination Event pursuant to Number 7.2.1 Paragraph (1) of the General Clearing Provisions, unless such non-compliance has been remedied by the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member by the time the Termination would occur.

5.3 Margin Call

5.3.1 Margin Calls and direct debit prior to the end of a Business Day

- (1) If Eurex Clearing AG at any time prior to the end of a Business Day determines that the aggregate value of Eligible Margin Assets actually delivered as cover in respect of ~~FCM Client~~ OTC IRS FCM Client Margin is less than the applicable Default ~~FCM Client~~ OTC IRS FCM Client Margin Requirement under the relevant ~~FCM Client~~ OTC IRS FCM Client Standard Agreement, Eurex Clearing AG will require the ~~FCM Client~~ OTC IRS FCM Client or the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member (under the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member Guarantee) to provide (additional) Eligible Margin Assets in an amount up to the relevant Default ~~FCM Client~~ OTC IRS FCM Client Margin Requirement by the time specified by Eurex Clearing AG.
- (2) To the extent Eligible Margin Assets are not delivered with respect to a Margin Call in accordance with Number 5.3.1 Paragraph (1), Eurex Clearing AG shall be entitled to (and without having an obligation towards the ~~FCM Client~~ OTC IRS FCM Client or the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member to do so, will on or around the time specified) directly debit the relevant ~~U.S. Clearing Member~~ OTC IRS U.S. Clearing Member Cash Account of the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member in an amount equal to the requested amount of Eligible Margin Assets in accordance with the daily cash clearing procedure pursuant to Number 1.4.1 of the General Clearing Provisions. Any such direct debit shall discharge the relevant Margin Call relating to the relevant ~~FCM Client~~ OTC IRS FCM Client Standard Agreement (and consequentially such direct debit will increase the respective Redelivery Claim of the ~~FCM Client~~ OTC IRS FCM Client).
- (3) If an ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member elects to deliver, for the account of such ~~FCM Client~~ OTC IRS FCM Client, (additional) Eligible Margin Assets in the form of cash pursuant to Number 3.3.2 of the General Clearing Provisions with

respect to a Margin Call relating to ~~FCM Client~~OTC IRS ~~FCM Client~~ Margin under a specific ~~FCM Client~~OTC IRS ~~FCM Client~~ Standard Agreement, then:

- (i) The ~~FCM Clearing Member~~OTC IRS ~~FCM Clearing Member~~ shall notify Eurex Clearing AG of such election;
- (ii) Eurex Clearing AG shall make the relevant debit entry in the Internal Elementary Proprietary Margin Account of such ~~FCM Clearing Member~~OTC IRS ~~FCM Clearing Member~~ and the respective credit entry in the Internal ~~FCM Client~~OTC IRS ~~FCM Client~~ Margin Account with such cash credit being allocated to the ~~FCM Client~~OTC IRS ~~FCM Client~~ Standard Agreement and being recorded as having been provided by the ~~FCM Clearing Member~~OTC IRS ~~FCM Clearing Member~~ from its own assets; and
- (iii) the related Redelivery Claim under the Elementary Proprietary Standard Agreement between Eurex Clearing AG and such ~~FCM Clearing Member~~OTC IRS ~~FCM Clearing Member~~ shall be reduced accordingly upon Eurex Clearing AG having made those record entries (which Eurex Clearing AG shall do without undue delay) in the Internal ~~FCM Client~~OTC IRS ~~FCM Client~~ Margin Account and an equivalent Redelivery Claim arises under the ~~FCM Client~~OTC IRS ~~FCM Client~~ Standard Agreement.

5.3.2 Margin Calls and direct debit at the end of a Business Day

- (1) If Eurex Clearing AG at the end of a Business Day determines that the aggregate value of Eligible Margin Assets actually delivered as cover in respect of ~~FCM Client~~OTC IRS ~~FCM Client~~ Margin is less than the applicable Default ~~FCM Client~~OTC IRS ~~FCM Client~~ Margin Requirement under the relevant ~~FCM Client~~OTC IRS ~~FCM Client~~ Standard Agreement, Eurex Clearing AG will require the ~~FCM Client~~OTC IRS ~~FCM Client~~ or the ~~FCM Clearing Member~~OTC IRS ~~FCM Clearing Member~~ (under the ~~FCM Clearing Member~~OTC IRS ~~FCM Clearing Member~~ Guarantee) to provide (additional) Eligible Margin Assets in the form of cash in the Clearing Currency in an amount sufficient to satisfy the Default ~~FCM Client~~OTC IRS ~~FCM Client~~ Margin Requirement by the time specified by Eurex Clearing AG.
- (2) To the extent Eligible Margin Assets are not delivered with respect to a Margin Call in accordance with Number 5.3.2 Paragraph (1), Eurex Clearing AG shall be entitled to (and without having an obligation towards the ~~FCM Client~~OTC IRS ~~FCM Client~~ or the ~~FCM Clearing Member~~OTC IRS ~~FCM Clearing Member~~ to do so, will on or around the time specified) directly debit the relevant ~~U.S. Clearing Member~~OTC IRS ~~U.S. Clearing Member~~ Cash Account of the ~~FCM Clearing Member~~OTC IRS ~~FCM Clearing Member~~ in the amount determined pursuant to Number 5.3.2 Paragraph (1) in accordance with the daily cash clearing procedure pursuant to Number 1.4.1 of the General Clearing Provisions. Any such direct debit shall discharge the relevant Margin Call relating to the relevant ~~FCM Client~~OTC IRS ~~FCM Client~~ Standard Agreement (and consequentially such direct debit will increase the respective Redelivery Claim of the ~~FCM Client~~OTC IRS ~~FCM Client~~).

[...]

5.4 **FCM Client OTC IRS FCM Client Excess Margin**

The ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member (for the account of the ~~FCM Client~~ OTC IRS FCM Client) may provide Eligible Margin Assets to Eurex Clearing AG in excess of the Default ~~FCM Client~~ OTC IRS FCM Client Margin Requirement under the relevant ~~FCM Client~~ OTC IRS FCM Client Standard Agreement (the "**FCM Client OTC IRS FCM Client Excess Margin**"). Any ~~FCM Client~~ OTC IRS FCM Client Excess Margin actually delivered shall form part of the relevant ~~FCM Client~~ OTC IRS FCM Client Margin and shall, if and to the extent that such ~~FCM Client~~ OTC IRS FCM Client Excess Margin consists of cash, be subject to a Redelivery Claim under the relevant ~~FCM Client~~ OTC IRS FCM Client Standard Agreement.

Eurex Clearing AG will book any Eligible Margin Asset delivered to it as ~~FCM Client~~ OTC IRS FCM Client Excess Margin into the relevant Internal ~~FCM Client~~ OTC IRS FCM Client Margin Account and shall record the Eligible Margin Asset in the Internal ~~FCM Client~~ OTC IRS FCM Client Margin Account as an Eligible Margin Asset delivered by the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member (either from the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member's own assets or from assets obtained by the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member from the ~~FCM Client~~ OTC IRS FCM Client) for the account of the ~~FCM Client~~ OTC IRS FCM Client.

5.5 **Obligation of the FCM Clearing Member OTC IRS FCM Clearing Member to request Margin from the FCM Client OTC IRS FCM Client; Segregation by the FCM Clearing Member OTC IRS FCM Clearing Member**

- 5.5.1 Each ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member is required to separately demand margin from its ~~FCM Client~~ OTC IRS FCM Client in an amount at least equal to the Default ~~FCM Client~~ OTC IRS FCM Client Margin Requirement for the ~~FCM Client~~ OTC IRS FCM Client Transactions under the relevant ~~FCM Client~~ OTC IRS FCM Client Standard Agreement (as determined by Eurex Clearing AG pursuant to this Number 5).
- 5.5.2 Each ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member shall establish and maintain one or more account(s) for its ~~FCM Client~~ OTC IRS FCM Clients with a permitted depository in accordance with the CEA and CFTC regulations (a "**Permitted Depository**"), which are segregated in accordance with the CEA and CFTC regulations and contain the margin collateral delivered by its ~~FCM Client~~ OTC IRS FCM Clients pursuant to Number 5.5.1 in connection with ~~FCM Client~~ OTC IRS FCM Client Transactions cleared for such ~~FCM Client~~ OTC IRS FCM Clients by such ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member.
- 5.5.3 Such account(s) shall be maintained by the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member with a Permitted Depository and the name of each such account shall identify the account as a "Cleared Swaps Customer Account" and clearly indicate that the assets therein are "Cleared Swaps Customer Collateral" subject to segregation in accordance with Part 22 of the CFTC Regulations and Section 4d(f) of the CEA. Before depositing margin collateral delivered by ~~FCM Client~~ OTC IRS FCM Clients to the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member with a Permitted Depository, the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member shall obtain and retain in its files a separate written acknowledgement letter from each Permitted Depository in accordance

with CFTC Rule 22.5. Each ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member shall treat margin collateral delivered by ~~FCM Client~~ OTC IRS FCM Clients as belonging to such ~~FCM Client~~ OTC IRS FCM Clients. All ~~FCM Client~~ OTC IRS FCM Client margin collateral shall be separately accounted for, and shall not be commingled with the money, securities or property of an ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member or of any other person, or be used to secure or guarantee the transactions of any other person.

5.5.4 Numbers 5.5.2 and 5.5.3 shall apply *mutatis mutandis* in respect of each ~~FCM Client~~ OTC IRS FCM Client Pledged Securities Account of an ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member.

5.6 Delivery of Eligible Margin Assets in the form of Cash

Eligible Margin Assets in form of cash for the purposes of granting ~~FCM Client~~ OTC IRS FCM Client Margin shall be provided in accordance with the cash clearing procedure pursuant to Number 1.4.1 of the General Clearing Provisions. If, in the case of a Margin Call with respect to ~~FCM Client~~ OTC IRS FCM Client Margin, the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member (acting for the account of the relevant ~~FCM Client~~ OTC IRS FCM Client) transfers Eligible Margin Assets in form of cash, the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member shall transfer such cash into Eurex Clearing AG's ~~FCM Client~~ OTC IRS FCM Client TARGET2 Account (as defined in Number 5.8.1 below) maintained with Deutsche Bundesbank and stating the specific customer identifier pursuant to Number 3.4.

5.7 Delivery of Eligible Margin Assets in the form of Securities

5.7.1 In order to provide Eligible Margin Assets in the form of Securities as cover in respect of the ~~FCM Client~~ OTC IRS FCM Client Margin in respect of an ~~FCM Client~~ OTC IRS FCM Client Standard Agreement, the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member (acting for the account of the relevant ~~FCM Client~~ OTC IRS FCM Client) shall transfer Eligible Margin Assets in the form of Securities to the relevant ~~FCM Client~~ OTC IRS FCM Client Pledged Securities Account.

- (1) The ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member shall instruct Clearstream Banking AG in a timely manner to transfer the relevant Securities to the relevant ~~FCM Client~~ OTC IRS FCM Client Pledged Securities Account and authorises Clearstream Banking AG to inform Eurex Clearing AG of such transfer.
- (2) In relation to Securities credited to any ~~FCM Client~~ OTC IRS FCM Client Pledged Securities Account that confer voting rights or other optional rights on the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member (including, but not limited to, warrants, options, conversion and subscription rights, rights in connection with takeovers, other forms of offers or capital reorganisations, redemption rights, tenders, options to tender or non-mandatory puts or calls) or that provide for discretionary action or alternative courses of action by the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member, Eurex Clearing AG shall not be responsible for exercising such voting or optional rights or for taking up such discretionary actions or alternative courses of action; the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member shall remain responsible in this respect.

(3) The ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member shall, by way of one or more separate pledge agreements and in the form and upon terms satisfactory to Eurex Clearing AG, grant pledges to Eurex Clearing AG over all Securities which are at present or will in the future be credited to the relevant ~~FCM Client~~ OTC IRS FCM Client Pledged Securities Account.

5.7.2 The security purpose (*Sicherungszweck*) of each pledge granted to Eurex Clearing AG in accordance with this Number 5.7 shall be to secure all present and future claims of Eurex Clearing AG against the ~~FCM Client~~ OTC IRS FCM Client arising under the relevant Clearing Agreement, the relevant ~~FCM Client~~ OTC IRS FCM Client Standard Agreement and all ~~FCM Client~~ OTC IRS FCM Client Transactions under the ~~FCM Client~~ OTC IRS FCM Client Standard Agreement with the ~~FCM Client~~ OTC IRS FCM Client.

5.7.3 To the extent required or expedient under applicable U.S. laws or regulations, the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member will arrange for the due filing and registration with any relevant competent authority or register of any collateral granted or to be granted pursuant to or in accordance with this Number 5.7 and will evidence the due filing and registration of such security interest to Eurex Clearing AG.

5.8 Treatment of ~~FCM Client~~ OTC IRS FCM Client Margin by Eurex Clearing AG

5.8.1 Eligible Margin Assets in the form of cash delivered to Eurex Clearing AG as ~~FCM Client~~ OTC IRS FCM Client Margin shall be maintained on a separate TARGET2-account of Eurex Clearing AG at Deutsche Bundesbank which is reserved for all cash delivered to Eurex Clearing AG as ~~FCM Client~~ OTC IRS FCM Client Margin ("**~~FCM Client~~ OTC IRS FCM Client TARGET2 Account**").

5.8.2 The ~~FCM Client~~ OTC IRS FCM Client TARGET2 Account shall, subject to the other provisions of this Number 5, be maintained in a manner compliant with applicable provisions of the CEA and the CFTC Regulations on "Cleared Swaps Customer Accounts", including but not limited to Part 1, Part 22 and Part 190 of the CFTC Regulations. The Eligible Margin Assets booked on such account shall be maintained separately from any and all assets of the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Members or any other assets that Eurex Clearing AG is holding for or with respect to customers other than ~~FCM Client~~ OTC IRS FCM Clients and shall contain no assets other than Eligible Margin Assets provided with respect to ~~FCM Client~~ OTC IRS FCM Client Transactions.

5.8.3 All Eligible Margin Assets received by Eurex Clearing AG from, or for the account of, an ~~FCM Client~~ OTC IRS FCM Client as ~~FCM Client~~ OTC IRS FCM Client Margin shall be separately accounted for and segregated with respect to the relevant individual ~~FCM Client~~ OTC IRS FCM Client. For purposes of complying with CFTC Regulation 22.15 (and subject to CFTC Regulation 22.3(d)), Eurex Clearing AG shall treat the value of all Eligible Margin Assets delivered by or for the account of each ~~FCM Client~~ OTC IRS FCM Client as being allocated to such individual ~~FCM Client~~ OTC IRS FCM Client and such amount shall be credited to such ~~FCM Client~~ OTC IRS FCM Client's applicable Internal ~~FCM Client~~ OTC IRS FCM Client Margin Account and shall not be used to margin, guarantee, or secure any Own Transaction or other obligations of the ~~FCM Clearing~~

~~Member~~ OTC IRS FCM Clearing Member or of any other ~~FCM Client~~ OTC IRS FCM Client.

- 5.8.4 The name of each account in which Eligible Margin Assets delivered to Eurex Clearing AG as ~~FCM Client~~ OTC IRS FCM Client Margin are deposited shall identify the account as a "Cleared Swaps Customer Account" and clearly indicate that the assets therein are "Cleared Swaps Customer Collateral" subject to segregation in accordance with Part 22 of the CFTC Regulations and Section 4d(f) of the CEA. Eurex Clearing AG shall obtain and retain in its files for the period provided by CFTC Regulation 1.31 an acknowledgment from each Permitted Depository that it was informed that the Eligible Margin Assets deposited in such accounts are those allocated to ~~FCM Client~~ OTC IRS FCM Clients and are being held for purpose of complying with the provisions of the CEA and the CFTC Regulations. For the purpose of CFTC Rule 22.8 the situs of the accounts referred to in this Number 5.8.4 shall be deemed to be in the United States.

5.9 Redelivery and release of Eligible Margin Assets

- 5.9.1 If and to the extent that the aggregate value of all Eligible Margin Assets actually delivered as ~~FCM Client~~ OTC IRS FCM Client Margin in respect of the relevant ~~FCM Client~~ OTC IRS FCM Client Standard Agreement exceeds the Default ~~FCM Client~~ OTC IRS FCM Client Margin Requirement for such ~~FCM Client~~ OTC IRS FCM Client Standard Agreement, the ~~FCM Client~~ OTC IRS FCM Client (or the relevant ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member on its behalf and for its account) may either raise a Redelivery Claim in accordance with Number 2.2.2 or, prior to the then applicable cut-off time specified by Eurex Clearing AG in relation to Clearstream Banking AG with respect to any Business Day, require Eurex Clearing AG (by submitting a release request) to release its pledge over pledged Securities actually delivered in respect of ~~FCM Client~~ OTC IRS FCM Client Margin in respect of such ~~FCM Client~~ OTC IRS FCM Client Standard Agreement, unless the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member (acting on behalf of the relevant ~~FCM Client~~ OTC IRS FCM Client) and Eurex Clearing AG agree otherwise. Such release request shall be processed by Eurex Clearing AG during that same Business Day if such request is received by Eurex Clearing prior to the applicable cut-off time and, if such request is received after such cut-off time, on the next Business Day.
- 5.9.2 The relevant ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member on behalf of the relevant ~~FCM Client~~ OTC IRS FCM Client may select which Eligible Margin Assets credited to the Internal ~~FCM Client~~ OTC IRS FCM Client Margin Account shall be redelivered or, as applicable, released from the pledge. Eurex Clearing AG will not and shall not be obliged to check whether there is, and whether the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member complies with, any agreement between the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member and the ~~FCM Client~~ OTC IRS FCM Client.
- 5.9.3 The relevant Redelivery Claim is discharged by Eurex Clearing AG if the relevant cash amount has been credited to the relevant account of the relevant ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member or to an account of a correspondent bank designated by the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member. Such discharge shall occur irrespective of any booking or forwarding errors of the depository,

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the settlement institution, the custodian, the deposit bank, the central securities depository or the correspondent bank.

6 ~~FCM-Client~~OTC IRS ~~FCM-Client~~ Variation Margin

6.1 ~~FCM-Client~~OTC IRS ~~FCM-Client~~ Variation Margin

6.1.1 Each of Eurex Clearing AG and the ~~FCM-Client~~OTC IRS ~~FCM-Client~~ shall be required to transfer, with respect to each ~~FCM-Client~~OTC IRS ~~FCM-Client~~ Standard Agreement separately, (additional) cover in respect of daily profits or losses for all ~~FCM-Client~~OTC IRS ~~FCM-Client~~ Transactions under each ~~FCM-Client~~OTC IRS ~~FCM-Client~~ Standard Agreement ("~~FCM-Client~~OTC IRS ~~FCM-Client~~ Variation Margin") in such amounts and at such times as are required pursuant to this Number 6.

6.1.2 The ~~FCM-Clearing Member~~OTC IRS ~~FCM-Clearing Member~~ is required to separately demand cover in respect of daily profits or losses arising in respect of the ~~FCM-Client~~OTC IRS ~~FCM-Client~~ Transactions from each ~~FCM-Client~~OTC IRS ~~FCM-Client~~ in an amount not less than the ~~FCM-Client~~OTC IRS ~~FCM-Client~~ Variation Margin Requirement.

6.2 ~~FCM-Client~~OTC IRS ~~FCM-Client~~ Variation Margin Requirement

6.2.1 Only Eligible Margin Assets in the form of cash shall be delivered as cover in respect of ~~FCM-Client~~OTC IRS ~~FCM-Client~~ Variation Margin.

6.2.2 With respect to the relevant ~~FCM-Client~~OTC IRS ~~FCM-Client~~ Standard Agreement, the amount of Eligible Margin Assets in form of cash to be delivered by the party obliged to provide ~~FCM-Client~~OTC IRS ~~FCM-Client~~ Variation Margin (the "~~FCM-Client~~OTC IRS ~~FCM-Client~~ Variation Margin Provider") to the other party (the "~~FCM-Client~~OTC IRS ~~FCM-Client~~ Variation Margin Taker") as cover in respect of the relevant ~~FCM-Client~~OTC IRS ~~FCM-Client~~ Variation Margin (the "~~FCM-Client~~OTC IRS ~~FCM-Client~~ Variation Margin Requirement") shall be determined in accordance with Chapter VIII Part 2 Number 2.1.6 of the Clearing Conditions.

6.3 ~~FCM-Client~~OTC IRS ~~FCM-Client~~ Variation Margin and Redelivery Claim

6.3.1 ~~FCM-Client~~OTC IRS ~~FCM-Client~~ Variation Margin shall be delivered and/or returned on each Business Day in accordance with the daily cash clearing procedure pursuant to Number 1.4.1 and Number 1.3 of the General Clearing Provisions.

6.3.2 Eligible Margin Assets in the form of cash actually delivered in respect of the relevant ~~FCM-Client~~OTC IRS ~~FCM-Client~~ Variation Margin by the relevant ~~FCM-Client~~OTC IRS ~~FCM-Client~~ Variation Margin Provider will give rise to or increase a Redelivery Claim of such ~~FCM-Client~~OTC IRS ~~FCM-Client~~ Variation Margin Provider against the ~~FCM-Client~~OTC IRS ~~FCM-Client~~ Variation Margin Taker in accordance with Number 2.2.2. Any such Redelivery Claim shall become due if and to the extent that on any subsequent Business Day a profit amount has been determined in respect of the relevant ~~FCM-Client~~OTC IRS ~~FCM-Client~~ Standard Agreement for the benefit of such ~~FCM-Client~~OTC IRS ~~FCM-Client~~ Variation Margin Provider in accordance with Chapter VIII Part 2 Number 2.1.6 (the applicable amount shall be the "**Redelivery Amount**"). However, if equivalent Eligible Margin Assets in form of cash have been actually delivered to the

~~FCM Client~~OTC IRS ~~FCM Client~~ Variation Margin Provider by the FCM Variation Margin Taker, the value of such Eligible Margin Assets will be applied to reduce (subject to a minimum of zero) the Redelivery Amount and the value of the Redelivery Claim then due. If the profit amount determined for the benefit of the ~~FCM Client~~OTC IRS ~~FCM Client~~ Variation Margin Provider is higher than its Redelivery Claim as of such time, the payment of the excess amount by the other party itself constitutes a delivery of ~~FCM Client~~OTC IRS ~~FCM Client~~ Variation Margin and in this case the ~~FCM Client~~OTC IRS ~~FCM Client~~ Variation Margin Provider shall become the ~~FCM Client~~OTC IRS ~~FCM Client~~ Variation Margin Taker and vice versa.

- 6.3.3 If, upon the conclusion of an ~~FCM Client~~OTC IRS ~~FCM Client~~ Transaction under an FCM Standard Agreement, the terms and conditions of such ~~FCM Client~~OTC IRS ~~FCM Client~~ Transaction provide that due to a netting with an applicable initial consideration no actual payment in respect of such ~~FCM Client~~OTC IRS ~~FCM Client~~ Variation Margin will occur, an actual delivery in respect of the relevant ~~FCM Client~~OTC IRS ~~FCM Client~~ Variation Margin resulting in a corresponding Redelivery Claim shall take place.
- 6.3.4 Eligible Margin Assets in the form of cash delivered to Eurex Clearing AG as ~~FCM Client~~OTC IRS ~~FCM Client~~ Variation Margin shall be maintained on the relevant ~~FCM Client~~OTC IRS ~~FCM Client~~ TARGET2 Account or on another relevant currency account of Eurex Clearing AG.
- 6.3.5 Each of the accounts referred to in Number 6.3.4 shall, subject to the other provisions of this Number 6, be maintained in a manner compliant with applicable provisions of the CEA and the CFTC Regulations on "Cleared Swaps Customer Accounts", including but not limited to Part 1, Part 22 and Part 190 of the CFTC Regulations. The Eligible Margin Assets booked on such accounts shall be maintained separately from any and all assets of the ~~FCM Clearing Member~~OTC IRS ~~FCM Clearing Members~~ or any other assets that Eurex Clearing AG is holding for or with respect to customers other than ~~FCM Client~~OTC IRS ~~FCM Clients~~ and shall contain no assets other than Eligible Margin Assets provided with respect to ~~FCM Client~~OTC IRS ~~FCM Client~~ Transactions.
- 6.3.6 All Eligible Margin Assets received by Eurex Clearing AG from, or for the account of, an ~~FCM Client~~OTC IRS ~~FCM Client~~ as ~~FCM Client~~OTC IRS ~~FCM Client~~ Variation Margin shall be separately accounted for and segregated with respect to the relevant individual ~~FCM Client~~OTC IRS ~~FCM Client~~. For purposes of complying with CFTC Regulation 22.15 (and subject to CFTC Regulation 22.3(d)), Eurex Clearing AG shall treat the value of all Eligible Margin Assets delivered by or for the account of each ~~FCM Client~~OTC IRS ~~FCM Client~~ as being allocated to such individual ~~FCM Client~~OTC IRS ~~FCM Client~~ and such amount shall not be used to margin, guarantee, or secure any Own Transaction or other obligations of the ~~FCM Clearing Member~~OTC IRS ~~FCM Clearing Member~~ or of any other ~~FCM Client~~OTC IRS ~~FCM Client~~.
- 6.3.7 The name of each account in which Eligible Margin Assets delivered to Eurex Clearing AG as ~~FCM Client~~OTC IRS ~~FCM Client~~ Variation Margin are deposited shall identify the account as a "Cleared Swaps Customer Account" and clearly indicate that the assets therein are "Cleared Swaps Customer Collateral" subject to segregation in accordance with Part 22 of the CFTC Regulations and Section 4d(f) of the CEA. Eurex Clearing AG shall obtain and retain in its files for the period provided by CFTC Regulation

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1.31 an acknowledgment from each Permitted Depository that it was informed that the Eligible Margin Assets deposited in such accounts are those allocated to ~~FCM Client~~OTC IRS FCM Clients and are being held for purpose of complying with the provisions of the CEA and the CFTC Regulations. For the purpose of CFTC Rule 22.8 the situs of the accounts referred to in this Number 6.3.7 shall be deemed to be in the United States.

7 **Default Fund Contributions for ~~FCM Client~~OTC IRS FCM Client Transactions**

The ~~FCM Clearing Member~~OTC IRS FCM Clearing Member shall also pay Contributions to the Default Fund with respect to all ~~FCM Client~~OTC IRS FCM Client Transactions under each ~~FCM Client~~OTC IRS FCM Client Standard Agreement in accordance with Chapter I Part 1 Number 6 of the Clearing Conditions. An ~~FCM Client~~OTC IRS FCM Client shall not be entitled or obliged to make contributions to the Default Fund.

8 **Consequences of the occurrence of a Termination Event or Insolvency Termination Event with respect to an ~~FCM Clearing Member~~OTC IRS FCM Clearing Member**

8.1 **Application**

8.1.1 The provisions set forth in this Number 8 apply upon the occurrence of a Termination Event or Insolvency Termination Event with respect to an ~~FCM Clearing Member~~OTC IRS FCM Clearing Member. The provisions of Numbers 8.2 to 8.6 are subject to the provisions of Number 8.7 if a U.S. Bankruptcy Event has occurred with respect to the ~~FCM Clearing Member~~OTC IRS FCM Clearing Member.

8.1.2 A "**U.S. Bankruptcy Event**" occurs when (a) an order for relief has been entered in a bankruptcy case commenced by or against the ~~FCM Clearing Member~~OTC IRS FCM Clearing Member under subChapter IV of Chapter 7 of the U.S. Bankruptcy Code, 11 U.S.C. § 101 et seq. (the "**Bankruptcy Code**"), (b) if the ~~FCM Clearing Member~~OTC IRS FCM Clearing Member is also a stockbroker who is a member of Securities Investor Protection Corporation, a liquidation proceeding (a "**SIPA proceeding**") has been commenced under the U.S. Securities Investor Protection Act, 15 U.S.C. § 78aaa et seq., in which the assets and liabilities of the ~~FCM Clearing Member~~OTC IRS FCM Clearing Member attributable to its status as a futures commission merchant are administered as a separate estate under subChapter IV, or (c) a proceeding has been commenced against the ~~FCM Clearing Member~~OTC IRS FCM Clearing Member under Title II of the U.S. Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, 12 U.S.C. § 5301 et seq. (a "**Title II proceeding**").

8.2 **Suspension or Restriction, Termination, Porting**

Upon the occurrence of a Termination Event or Insolvency Termination Event and Termination Date with respect to an ~~FCM Clearing Member~~OTC IRS FCM Clearing Member (the "**Affected ~~FCM Clearing Member~~OTC IRS FCM Clearing Member**"),

- (i) the Clearing of new ~~FCM Client~~OTC IRS FCM Client Transactions under all ~~FCM Client~~OTC IRS FCM Client Standard Agreements of such ~~FCM Clearing Member~~OTC IRS FCM Clearing Member's ~~FCM Client~~OTC IRS FCM Clients shall be suspended; and/or

- (ii) if Eurex Clearing AG declares a Termination in accordance with Number 8.5, the existing ~~FCM Client~~ OTC IRS FCM Client Transactions under the relevant ~~FCM Client~~ OTC IRS FCM Client Standard Agreement shall be terminated and a termination payment shall fall due with respect to the relevant ~~FCM Client~~ OTC IRS FCM Client Standard Agreement; or
- (iii) if the relevant ~~FCM Client~~ OTC IRS FCM Client submits a Termination Election Notice prior to the Replacement Cut-Off Time, the existing ~~FCM Client~~ OTC IRS FCM Client Transactions under the relevant ~~FCM Client~~ OTC IRS FCM Client Standard Agreement shall be terminated and a termination payment shall fall due with respect to the relevant ~~FCM Client~~ OTC IRS FCM Client Standard Agreement; or
- (iv) if the relevant ~~FCM Client~~ OTC IRS FCM Client does not submit a Replacement Election Notice by the Replacement Cut-off Time or the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member Replacement Requirements are not met within the Replacement Period, in each case in accordance with Number 8.4, the existing ~~FCM Client~~ OTC IRS FCM Client Transactions under the relevant ~~FCM Client~~ OTC IRS FCM Client Standard Agreement shall be terminated and a termination payment shall fall due with respect to the relevant ~~FCM Client~~ OTC IRS FCM Client Standard Agreement, or
- (v) if the relevant ~~FCM Client~~ OTC IRS FCM Client submits a Replacement Election Notice at or prior to the Replacement Cut-Off Time and the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member Replacement Requirements are met within the Replacement Period, the existing ~~FCM Client~~ OTC IRS FCM Client Transactions shall be continued and the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member will be replaced with the relevant Replacement ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member, in each case in accordance with Number 8.4,

in each case as further set out in this Number 8.

Eurex Clearing AG will notify the CFTC without undue delay of the occurrence of a Termination Event or Insolvency Termination Event and a Termination Date with respect to an ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member and of any intended replacement of the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member.

8.3 Suspension or Restriction of Clearing

If a Termination Event or any of the following events occurs with respect to an ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member:

- (i) the existence of an unremedied breach by the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member of its Clearing Agreement with Eurex Clearing AG, except where such breach is minor, technical or administrative in nature in the reasonable opinion of Eurex Clearing AG;
- (ii) a determination is made by Eurex Clearing AG that a limitation or suspension of Clearing is necessary for it to contain its exposure to the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member or its ~~FCM Client~~ OTC IRS FCM Client(s);

- (iii) the suspension or termination (other than a voluntary termination) of the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member's membership of another clearing house provided that the circumstances relating to that suspension or termination are, in Eurex Clearing AG's reasonable opinion, material to the management of the risk of Eurex Clearing AG, and that Eurex Clearing AG first consults or attempts to consult with the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member and the competent regulatory authorities;
- (iv) the commencement of Disciplinary Procedures as defined in Number 7.2.1(b) (aa) of the General Clearing Provisions against the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member; or
- (v) any other event in respect of the ~~U.S. Clearing Member~~ OTC IRS U.S. Clearing Member that could materially impact the ability of that ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member to perform its obligations under the Clearing Conditions and the relevant Clearing Agreement,

then Eurex Clearing AG may (taking into account the interests of such ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member and its ~~FCM Client~~ OTC IRS FCM Clients and provided that such action constitutes a proportionate and reasonable action) one or more times suspend or limit the Clearing pursuant to the U.S. Clearing Model Provisions, of new ~~FCM Client~~ OTC IRS FCM Client Transactions under all ~~FCM Client~~ OTC IRS FCM Client Standard Agreements of such ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member's ~~FCM Client~~ OTC IRS FCM Clients.

Eurex Clearing AG shall notify the Affected ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member and all ~~FCM Client~~ OTC IRS FCM Clients of such ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member of the decision to suspend or limit the Clearing. Eurex Clearing AG shall specify in the notification a reasonable period of time during which such suspension or limitation shall apply.

Furthermore, if Eurex Clearing AG so demands, the relevant ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member shall, at the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member's own expense, provide such information and evidence as Eurex Clearing AG, in its reasonable opinion may deem necessary, to conduct an appropriate investigation of the facts and circumstances relating to a Termination Event or any of the events listed above.

Before limiting or suspending the Clearing of new ~~FCM Client~~ OTC IRS FCM Client Transactions under this Number 8.3, and without limiting its rights under Number 7.2.1 of the General Clearing Provisions and Number 8.5 below, Eurex Clearing AG shall, where reasonable in the circumstances, attempt to consult with the relevant ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member, further to which Eurex Clearing AG may in its absolute discretion agree a grace period within which the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member may remedy the event in question. For the avoidance of doubt, in case the relevant event constitutes an Alleged Breach (as defined in the Disciplinary Procedures Rules) Eurex Clearing AG may commence Disciplinary Procedures in respect of the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member subject to and in accordance with the Disciplinary Procedures Rules.

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8.4 **Porting in relation to ~~FCM Client~~ OTC IRS FCM Client Standard Agreements**

8.4.1 For the purposes of this Number 8 and solely with respect to an ~~FCM Client~~ OTC IRS ~~FCM Client~~ Standard Agreement (including all existing ~~FCM Client~~ OTC IRS ~~FCM Client~~ Transactions) and all Redelivery Claims relating thereto, a Termination and a Termination Date shall only occur subject to Number 8.6 below.

8.4.2 Unless Eurex Clearing AG has exercised its termination right pursuant to Number 8.5, Eurex Clearing AG shall if

- (1) a Termination Event (other than an Insolvency Termination Event) has occurred with respect to the ~~FCM Clearing Member~~ OTC IRS ~~FCM Clearing Member~~,
 - (a) if a Grace Period Notice has been given, without undue delay after the end of the relevant Grace Period, and
 - (b) if a Termination Notice has been given, without undue delay after the time specified in the Termination Notice, or
- (2) an Insolvency Termination Event has occurred with respect to the ~~FCM Clearing Member~~ OTC IRS ~~FCM Clearing Member~~, without undue delay after the Termination Time,

give notice to all other Clearing Members and the ~~FCM Client~~ OTC IRS ~~FCM Clients~~ of the Affected ~~FCM Clearing Member~~ OTC IRS ~~FCM Clearing Member~~ in accordance with Number 16.1 (ii) of the General Clearing Provisions of (i) the occurrence of the Termination Event or Insolvency Termination Event and (ii) that the Replacement Period commences (the "**Replacement Notice**").

8.4.3 Upon the receipt of the Replacement Notice, each ~~FCM Client~~ OTC IRS ~~FCM Client~~ may elect by giving notice to Eurex Clearing AG as soon as possible, but not later than 13:00 hours (Frankfurt am Main time) on the Business Day following the Termination Date (such Termination Date, for the purpose of this Number 8.4.3 only, being determined as if Number 8.4.1 did not apply) (the "**Replacement Cut-Off Time**"):

- (i) to continue the Clearing of its ~~FCM Client~~ OTC IRS ~~FCM Client~~ Transactions under the relevant ~~FCM Client~~ OTC IRS ~~FCM Client~~ Standard Agreement with a Replacement ~~FCM Clearing Member~~ OTC IRS ~~FCM Clearing Member~~ (the "**Replacement Election Notice**"); or
- (ii) not to continue the clearing of its ~~FCM Client~~ OTC IRS ~~FCM Client~~ Transactions under the relevant ~~FCM Client~~ OTC IRS ~~FCM Client~~ Standard Agreement and to terminate and close-out its ~~FCM Client~~ OTC IRS ~~FCM Client~~ Transactions (the "**Termination Election Notice**").

If Eurex Clearing AG (i) does not receive a Replacement Election Notice by the Replacement Cut-Off Time or (ii) does receive a Termination Election Notice at or prior to the Replacement Cut-Off Time, Number 8.6 below shall apply.

8.4.4 If the ~~FCM Client~~ OTC IRS ~~FCM Client~~ has provided a Replacement Election Notice by the Replacement Cut-Off Time, this Number 8.4.4 applies.

If, at or prior to the end of the Replacement Period, Eurex Clearing AG determines that all ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member Replacement Requirements in respect of an ~~FCM Client~~ OTC IRS FCM Client Standard Agreement are fulfilled, all rights and obligations of the Affected ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member arising from the relevant Clearing Agreement appended in the form of Appendix 10 entered into between Eurex Clearing AG, the Affected ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member and the relevant ~~FCM Client~~ OTC IRS FCM Client in respect of all existing ~~FCM Client~~ OTC IRS FCM Client Transactions under the relevant ~~FCM Client~~ OTC IRS FCM Client Standard Agreement (including, without limitation, any obligations under the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member Guarantee) shall be transferred, by way of an assumption of contract (*Vertragsübernahme*), (a “**Transfer**”) to the new ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member (the “**Replacement FCM Clearing Member OTC IRS FCM Clearing Member**”), and the Affected ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member hereby expressly and irrevocably consents to such Transfer with respect to it in such event.

“**Replacement Period**” means

- (i) if an Insolvency Termination Event has occurred, the period from the occurrence of the Insolvency Termination Event until (and including) 13:00 hours Frankfurt am Main time on the immediately following Business Day; and
- (ii) if any other Termination Event has occurred, the period from the publication of the Replacement Notice until (and including) 13:00 hours Frankfurt am Main time on the immediately following Business Day.

Eurex Clearing AG may extend the Replacement Period in order to facilitate a Transfer by giving notice to all Clearing Members and the ~~FCM Client~~ OTC IRS FCM Clients of the Affected ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member in accordance with Number 16.1 (ii) of the General Clearing Provisions.

“**FCM Clearing Member OTC IRS FCM Clearing Member Replacement Requirements**” means all of the following requirements:

- (i) the Replacement ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member is another ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member;
- (ii) the Replacement ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member has agreed with Eurex Clearing AG and the relevant ~~FCM Client~~ OTC IRS FCM Client in writing on the assumption of contract (*Vertragsübernahme*) pursuant to this Number 8.4.4 in form and substance satisfactory to Eurex Clearing AG;
- (iii) the Replacement ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member and the relevant ~~FCM Client~~ OTC IRS FCM Client have undertaken to Eurex Clearing AG in form and substance satisfactory to Eurex Clearing AG that they will, no later than five (5) Business Days after the end of the Replacement Period, enter into a Clearing Agreement with Eurex Clearing AG in the form appended to the Clearing Conditions as Appendix 10 unless such Clearing Agreement has already been entered into;

- (iv) the Replacement ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member has represented to Eurex Clearing AG that it meets the minimum funding requirements of CFTC Regulation 1.17 (a) (4); and
- (v) the Replacement ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member has (a) provided Eurex Clearing AG with sufficient Eligible Margin Assets to cover (for the account of the ~~FCM Client~~ OTC IRS FCM Client) any shortfall in ~~FCM Client~~ OTC IRS FCM Client Margin and ~~FCM Client~~ OTC IRS FCM Client Variation Margin in respect of all ~~FCM Client~~ OTC IRS FCM Client Transactions to which the Transfer relates or (b) committed itself to Eurex Clearing AG to provide the relevant amount of Eligible Margin Assets without undue delay following the Transfer.

If, following the receipt of a Replacement Election Notice by the Replacement Cut-Off Time, the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member Replacement Requirements are not satisfied until the end of the Replacement Period, Number 8.6 shall apply.

- 8.4.5 Each ~~FCM Client~~ OTC IRS FCM Client may designate in advance by notice to Eurex Clearing AG another ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member as a potential Replacement ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member for its ~~FCM Client~~ OTC IRS FCM Client Standard Agreement. The ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member designated as a potential Replacement ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member assumes no obligation to accept a Transfer. The ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member Replacement Requirements apply.

Eurex Clearing AG may provide for further or alternative procedures for the transfer of assets and positions that it deems necessary taking into account applicable laws with respect to any such transfer.

- 8.4.6 The ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member hereby irrevocably offers to transfer to the Replacement ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member all Eligible Margin Assets in the form of Securities that are credited to the relevant ~~FCM Client~~ OTC IRS FCM Client Pledged Securities Account at the time when the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member Replacement Requirements are fulfilled. Such transfer shall be without prejudice to the security interest granted to Eurex Clearing AG in the relevant Securities. The ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member hereby also irrevocably authorises (*bevollmächtigt*) Eurex Clearing AG to offer to transfer to the Replacement ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member, on behalf of the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member, all Eligible Margin Assets in the form of Securities that are credited to the relevant ~~FCM Client~~ OTC IRS FCM Client Pledged Securities Account at the time when the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member Requirements are fulfilled and to issue all other statements and to take all other acts on behalf of the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member that Eurex Clearing AG considers necessary or expedient to effect the transfer of the relevant Securities to the Replacement ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member.

- 8.4.7 ~~Eurex Clearing AG and the FCM Clearing Member~~ OTC IRS FCM Clearing Member agree that, following the transfer of all Eligible Margin Assets in the form of Securities to the Replacement ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member in accordance with Number 8.4.6 above, the security purpose of the security interests held by Eurex Clearing AG in such Securities shall also extend to all present and future claims of Eurex Clearing AG against the Replacement ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member under the relevant Clearing Agreement (in the form appended to the Clearing Conditions as Appendix 10) with such Replacement ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member. If a transfer of Eligible Margin Assets in the form of Securities to the securities account of the Replacement ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member is impossible or impractical due to restrictions of the securities depository bank, custodian or central securities depository used by the Replacement ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member or for other reasons, the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member hereby irrevocably authorises (*bevollmächtigt*) Eurex Clearing AG to liquidate on behalf of the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member such Eligible Margin Assets in the form of Securities and to appropriate the proceeds of the realisation of such Securities and such proceeds shall then constitute, and be treated as, ~~FCM Client~~ OTC IRS FCM Client Margin in the form of cash with respect to the relevant ~~FCM Client~~ OTC IRS FCM Client Standard Agreement (and a corresponding Redelivery Claim shall arise under such ~~FCM Client~~ OTC IRS FCM Client Standard Agreement pursuant to Number 2.2.2).
- 8.4.8 As a result of a Transfer, the Affected ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member will be released from all its obligations (including under its ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member Guarantee) in relation to the ~~FCM Client~~ OTC IRS FCM Client Transactions under the relevant ~~FCM Client~~ OTC IRS FCM Client Standard Agreement that have been transferred to the Replacement ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member and the Replacement ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member shall have assumed such obligations (including the relevant ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member Guarantee) in relation to the ~~FCM Client~~ OTC IRS FCM Client Transactions under the relevant ~~FCM Client~~ OTC IRS FCM Client Standard Agreement.
- 8.4.9 After the Transfer, Eurex Clearing AG shall
- (i) book the relevant ~~FCM Client~~ OTC IRS FCM Client Transactions from the relevant ~~FCM Client~~ OTC IRS FCM Client Own Account(s) of the Affected ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member to the relevant ~~FCM Client~~ OTC IRS FCM Client Own Account(s) of the Replacement ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member; and
 - (ii) with respect to the relevant ~~FCM Client~~ OTC IRS FCM Client Standard Agreement to which the Transfer relates, attribute to the Replacement ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member (acting for the account of the relevant ~~FCM Client~~ OTC IRS FCM Client), by making appropriate changes to its records, all ~~FCM Client~~ OTC IRS FCM Client Margin and all ~~FCM Client~~ OTC IRS FCM Client Variation Margin provided to Eurex Clearing AG in respect of such ~~FCM Client~~ OTC IRS FCM Client Standard Agreement

and, following such changes to the records, such amounts or assets shall be deemed to constitute ~~FCM Client~~ OTC IRS FCM Client Margin and ~~FCM Client~~ OTC IRS FCM Client Variation Margin, respectively, that has been provided by the Replacement ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member for the account of the relevant ~~FCM Client~~ OTC IRS FCM Client.

8.4.10 During the Replacement Period

- (i) the Clearing of new ~~FCM Client~~ OTC IRS FCM Client Transactions under each ~~FCM Client~~ OTC IRS FCM Client Standard Agreement of the Affected ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member's ~~FCM Client~~ OTC IRS FCM Clients shall always be suspended;
- (ii) all Redelivery Claims of the Affected ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member's ~~FCM Client~~ OTC IRS FCM Clients with respect to ~~FCM Client~~ OTC IRS FCM Client Margin in the form of cash and ~~FCM Client~~ OTC IRS FCM Client Variation Margin shall be deferred (*gestundet*);
- (iii) Eurex Clearing AG shall not be obliged to provide any ~~FCM Client~~ OTC IRS FCM Client Variation Margin to the Affected ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member's ~~FCM Client~~ OTC IRS FCM Clients (or the Affected ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member acting for their account).

8.4.11 Partial Transfers

Subject to appropriate arrangements between the Affected ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member, the ~~FCM Client~~ OTC IRS FCM Client, the Replacement ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member and Eurex Clearing AG (upon terms satisfactory to Eurex Clearing AG), the porting and transfers set out in Numbers 8.4.1 to 8.4.9 may also be made only with respect to some, but not all, ~~FCM Client~~ OTC IRS FCM Client Transactions under the relevant ~~FCM Client~~ OTC IRS FCM Client Standard Agreement, provided that, following such porting and transfers, the aggregate value of all Eligible Margin Assets actually delivered to Eurex Clearing AG in respect of ~~FCM Client~~ OTC IRS FCM Client Margin allocated to the ~~FCM Client~~ OTC IRS FCM Client Transactions that continue to form part of the existing ~~FCM Client~~ OTC IRS FCM Client Standard Agreement is equal to or exceeds the applicable Default ~~FCM Client~~ OTC IRS FCM Client Margin Requirement. In the case of such partial porting and transfer, the assumption of contract by the Replacement ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member shall be limited accordingly and (i) the ~~FCM Client~~ OTC IRS FCM Client Transactions to which such transfer does not relate (and the relevant Redelivery Claims relating to ~~FCM Client~~ OTC IRS FCM Client Margin and ~~FCM Client~~ OTC IRS FCM Client Variation Margin allocated to such ~~FCM Client~~ OTC IRS FCM Client Transactions) will continue to form part of the existing ~~FCM Client~~ OTC IRS FCM Client Standard Agreement, a Termination and Termination Date shall occur, and Numbers 8.6.2 to 8.6.5 shall apply with respect to such existing ~~FCM Client~~ OTC IRS FCM Client Standard Agreement and (ii) the ~~FCM Client~~ OTC IRS FCM Client Transactions to which such transfer relates (and the relevant Redelivery Claims relating to ~~FCM Client~~ OTC IRS FCM Client Margin and ~~FCM Client~~ OTC IRS FCM Client Variation Margin allocated to such

~~FCM Client~~OTC IRS ~~FCM Client~~ Transactions) shall become part of a new ~~FCM Client~~OTC IRS ~~FCM Client~~ Standard Agreement.

8.4.12 Other Requirements relating to U.S. Law

Notwithstanding any other requirements of this Number 8.4,

- (1) any Replacement ~~FCM Clearing Member~~OTC IRS ~~FCM Clearing Member~~ must meet the minimum funding requirements of CFTC Regulation 1.17 (a) (4) or otherwise be approved by the CFTC to receive the porting and transfer;
- (2) following the commencement of a bankruptcy case with respect to the ~~FCM Clearing Member~~OTC IRS ~~FCM Clearing Member~~ under subChapter IV of Chapter 7 of the Bankruptcy Code or otherwise following the occurrence of a U.S. Bankruptcy Event with respect to the ~~FCM Clearing Member~~OTC IRS ~~FCM Clearing Member~~, (a) any ~~FCM Client~~OTC IRS ~~FCM Client~~ Margin ported and transferred to a Replacement ~~FCM Clearing Member~~OTC IRS ~~FCM Clearing Member~~ may not exceed the "funded balance" of the ~~FCM Client~~OTC IRS ~~FCM Client~~ Margin as provided in CFTC Regulation 190.06 (e) (2) and (b) Eurex Clearing AG may not effect any porting and transfer that has been disapproved by the CFTC; and

[...]

8.5 Termination Right of Eurex Clearing AG

Upon the occurrence of a Termination Event or Insolvency Termination Event, Eurex Clearing AG shall, in its discretion, unless a Termination Date has already occurred pursuant to Number 8.6 or a porting has been completed pursuant to Numbers 8.4 or 8.7, be entitled to declare a Termination by notice to the ~~FCM Clearing Member~~OTC IRS ~~FCM Clearing Member~~ and the ~~FCM Client~~OTC IRS ~~FCM Client~~.

8.6 Consequences of a Termination with respect to ~~FCM Client~~OTC IRS ~~FCM Client~~ Transactions

8.6.1 A Termination and a Termination Time with respect to the relevant ~~FCM Client~~OTC IRS ~~FCM Client~~ Standard Agreement (including all ~~FCM Client~~OTC IRS ~~FCM Client~~ Transactions under such ~~FCM Client~~OTC IRS ~~FCM Client~~ Standard Agreement) shall occur:

[...]

- (ii) with effect as of the end of the Replacement Period, if Eurex Clearing AG has received a Replacement Election Notice by the Replacement Cut-Off Time, but the ~~FCM Clearing Member~~OTC IRS ~~FCM Clearing Member~~ Replacement Requirements are not satisfied until the end of the Replacement Period; or

[...]

- (iv) if Eurex Clearing AG has declared a Termination in accordance with Number 8.5, with effect as of the time of receipt of the related notice by the ~~FCM Clearing Member~~OTC IRS ~~FCM Clearing Member~~ and the ~~FCM Client~~OTC IRS ~~FCM Client~~.

If a Termination Date has occurred with respect to an ~~FCM-Client~~OTC IRS FCM Client Standard Agreement, the following provisions shall apply.

8.6.2 Termination of ~~FCM-Client~~OTC IRS FCM Client Transactions and Redelivery Claims

All current and future primary obligations (including payment and delivery obligations) under the relevant ~~FCM-Client~~OTC IRS FCM Client Standard Agreement between Eurex Clearing AG and the ~~FCM-Client~~OTC IRS FCM Client arising from ~~FCM-Client~~OTC IRS FCM Client Transactions and any Redelivery Claim under the relevant ~~FCM-Client~~OTC IRS FCM Client Standard Agreement shall expire (*auflösende Bedingung*) as of the Termination Time and shall no longer be required to be performed by the relevant obligor. Furthermore, all due but unsatisfied obligations in respect of the relevant ~~FCM-Client~~OTC IRS FCM Client Margin or ~~FCM-Client~~OTC IRS FCM Client Variation Margin shall expire (*auflösende Bedingung*) as of the Termination Time. The expiration affects all claims arising from ~~FCM-Client~~OTC IRS FCM Client Transactions under the relevant ~~FCM-Client~~OTC IRS FCM Client Standard Agreement independent of the time they came into existence or would have come into existence otherwise. These expired primary obligations and delivery obligations, respectively, are reflected by the Difference Claim.

8.6.3 Difference Claim

The difference claim of either Eurex Clearing AG or (subject to the provisions on payment to the ~~FCM Clearing Member~~OTC IRS FCM Clearing Member set out in Number 1.6.6) the ~~FCM-Client~~OTC IRS FCM Client under the relevant ~~FCM-Client~~OTC IRS FCM Client Standard Agreement shall become unconditional and immediately due in the Termination Currency against the respective other party as of the end of the Last Valuation Date and shall be determined in accordance with Number 7.3 (except for Number 7.3.3) of the General Clearing Provisions using the Liquidation Price Approach (each a "**Difference Claim**") and provided that Eurex Clearing AG shall be the party entitled to value the Difference Claim.

8.6.4 Notification

Eurex Clearing AG shall notify the value of the Difference Claim determined by it with respect to the relevant ~~FCM-Client~~OTC IRS FCM Client Standard Agreement to the ~~FCM Clearing Member~~OTC IRS FCM Clearing Member and the ~~FCM-Client~~OTC IRS FCM Client as soon as reasonably practicable after its determination, together with reasonable detail regarding the data and information forming the basis of the determination.

8.6.5 Payment of Difference Claim

- (1) The debtor of the Difference Claim under the relevant ~~FCM-Client~~OTC IRS FCM Client Standard Agreement between Eurex Clearing AG and the relevant ~~FCM-Client~~OTC IRS FCM Client shall pay the determined amount of the Difference Claim as soon as reasonably practicable following the notification by Eurex Clearing AG of the payable amount pursuant to Number 8.6.4.

[...]

8.7 Special Consequences if a U.S. Bankruptcy Event has Occurred

8.7.1 Application

This Number 8.7 applies if a U.S. Bankruptcy Event has occurred with respect to an ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member. Unless otherwise indicated in this Number 8.7, the other provisions of Number 8 also apply. However, if there is any inconsistency between a provision in this Number 8.7 and a provision in Numbers 8.2 to 8.6, the provisions in this Number 8.7 prevail.

8.7.2 Termination by Eurex Clearing AG

[...]

- (2) If a Difference Claim is owing by Eurex Clearing AG to the ~~FCM Client~~ OTC IRS FCM Client (subject to the provisions on payment to the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member set out in Number 1.6.6), the ~~FCM Client~~ OTC IRS FCM Client hereby irrevocably instructs Eurex Clearing AG to pay the determined amount of the Difference Claim for the account of the ~~FCM Client~~ OTC IRS FCM Client to the trustee (the "**Bankruptcy Trustee**") appointed in the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member's bankruptcy case or SIPA proceeding, or administering the Title II proceeding with respect to the assets and liabilities of the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member, and the ~~FCM Client~~ OTC IRS FCM Client and Eurex Clearing AG agree that only such payment to the Bankruptcy Trustee will discharge such Difference Claim. Any Eligible Margin Assets in the form of Securities attributable to the ~~FCM Client~~ OTC IRS FCM Client that have not been realised by Eurex Clearing AG in accordance with the security purpose set out in Number 5.7.2 will be released from the pledges as a matter of law.
- (3) If a Difference Claim is owing by the ~~FCM Client~~ OTC IRS FCM Client to Eurex Clearing AG, the right of Eurex Clearing AG to enforce its pledges over the relevant Eligible Margin Assets in the form of Securities that constitute ~~FCM Client~~ OTC IRS FCM Client Margin of such ~~FCM Client~~ OTC IRS FCM Client shall remain unaffected.

8.7.3 Further Termination Provisions; Porting in Lieu of Termination

If Eurex Clearing AG has not declared a Termination and a Termination Date with respect to an ~~FCM Client~~ OTC IRS FCM Client Standard Agreement with an ~~FCM Client~~ OTC IRS FCM Client, the following provisions apply:

- (1) Eurex Clearing AG will seek to contact the Bankruptcy Trustee to determine whether the ~~FCM Client~~ OTC IRS FCM Client has chosen the liquidation or the porting of the ~~FCM Client~~ OTC IRS FCM Client Transactions under the ~~FCM Client~~ OTC IRS FCM Client Standard Agreement.
- (2) If the Bankruptcy Trustee timely communicates to Eurex Clearing AG that a particular ~~FCM Client~~ OTC IRS FCM Client has chosen liquidation, Eurex Clearing AG will exercise its termination right pursuant to Number 8.7.2 Paragraph (1) in consultation with the Bankruptcy Trustee and with a view to the Termination of all ~~FCM Client~~ OTC IRS FCM Client Transactions with the ~~FCM~~

~~Client~~OTC IRS FCM Client occurring within a period (the “**Relevant Period**”) of seven calendar days following the entry of the order for relief in the bankruptcy case or the commencement of the SIPA proceeding or Title II proceeding or within such longer period as the Bankruptcy Trustee and the CFTC, by order of the bankruptcy court, may approve.

- (3) If the Bankruptcy Trustee timely communicates to Eurex Clearing AG that a particular ~~FCM Client~~OTC IRS FCM Client has chosen porting in relation to its ~~FCM Client~~OTC IRS FCM Client Transactions or has not made a choice, Eurex Clearing AG will consult with the Bankruptcy Trustee to effect the porting of the ~~FCM Client~~OTC IRS FCM Client Transactions with the ~~FCM Client~~OTC IRS FCM Client and the porting of ~~FCM Client~~OTC IRS FCM Client Margin in the form of cash and ~~FCM Client~~OTC IRS FCM Client Variation Margin as well as the transfer of ~~FCM Client~~OTC IRS FCM Client Margin in the form of Securities in accordance with the Bankruptcy Code and CFTC Regulation 190.06. As soon as possible, and in any event within three calendar days following the commencement of the Relevant Period, Eurex Clearing AG will give the CFTC notice of Eurex Clearing AG’s intent to conduct a porting in relation to the ~~FCM Client~~OTC IRS FCM Client Transactions, and, unless the porting and transfer is disapproved by the CFTC, Eurex Clearing AG will complete the porting and transfer within the Relevant Period.
- (4) If a particular ~~FCM Client~~OTC IRS FCM Client has designated to Eurex Clearing AG a potential Replacement ~~FCM Clearing Member~~OTC IRS FCM Clearing Member for its ~~FCM Client~~OTC IRS FCM Client Standard Agreement pursuant to the provisions of Number 8.4.5, Eurex Clearing AG will consult with the Bankruptcy Trustee to determine whether a porting in relation to the ~~FCM Client~~OTC IRS FCM Client Transactions with the ~~FCM Client~~OTC IRS FCM Client to the designated Replacement ~~FCM Clearing Member~~OTC IRS FCM Clearing Member may be conducted so long as the other requirements of the provisions of Number 8.4 and this Number 8.7 have been satisfied.
- (5) Notwithstanding the provisions of Number 8.4.11, no partial porting in relation to the ~~FCM Client~~OTC IRS FCM Client Transactions of any ~~FCM Client~~OTC IRS FCM Client will be made unless all of the ~~FCM Client~~OTC IRS FCM Client Transactions of the ~~FCM Client~~OTC IRS FCM Client cannot be ported or the CFTC otherwise approves of the partial porting.
- (6) Notwithstanding the provisions of Numbers 8.4.6 and 8.4.7, the Bankruptcy Trustee may require that less than all of the ~~FCM Client~~OTC IRS FCM Client Margin relating to any ~~FCM Client~~OTC IRS FCM Client Transactions with an ~~FCM Client~~OTC IRS FCM Client is ported and, as applicable, transferred to the Replacement ~~FCM Clearing Member~~OTC IRS FCM Clearing Member in order for the Bankruptcy Trustee to comply with the pro rata loss sharing provisions of §§ 766(c) and (h) of the Bankruptcy Code. The ~~FCM Client~~OTC IRS FCM Client Margin that is not subject to the porting or transfer will be held by Eurex Clearing AG at the direction of or delivered (including, in the case of Eligible Margin Assets in the form of Securities, by way of release of Eurex Clearing AG’s pledges therein) to the Bankruptcy Trustee.

8.7.4 Application of the Bankruptcy Code and CFTC Rule 190 to Payments and Deliveries

Any payment or delivery by Eurex Clearing AG to the Bankruptcy Trustee pursuant to Number 1.6.6 or this Number 8.7, whether as payment of a Difference Claim or any difference claim of the ~~FCM Client~~OTC IRS FCM Client against Eurex Clearing AG that may arise pursuant to Chapter I Part 1 Number 9 of the Clearing Conditions or, in the case of release of a pledge of Eligible Margin Assets, at the direction of the Bankruptcy Trustee, will be for the account of the bankruptcy estate of the ~~FCM Clearing Member~~OTC IRS FCM Clearing Member. The payment or delivery will be administered and distributed by the Bankruptcy Trustee for the benefit of those ~~FCM Client~~OTC IRS FCM Clients and other "customers" (as defined in § 761(9) of the Bankruptcy Code) of the ~~FCM Clearing Member~~OTC IRS FCM Clearing Member who have claims against the ~~FCM Clearing Member~~OTC IRS FCM Clearing Member arising out of cleared swap agreement transactions, all in accordance with the Bankruptcy Code and CFTC Rule 190 including the pro rata loss sharing provisions of §§ 766(c) and (h) of the Bankruptcy Code. No ~~FCM Client~~OTC IRS FCM Client will have any claim to or interest in the payment or delivery except in accordance with the distribution rules of the Bankruptcy Code and CFTC Rule 190.

9 **Insolvency or Default with respect to an ~~FCM Client~~OTC IRS FCM Client**

9.1 A "~~FCM Client~~OTC IRS FCM Client **Insolvency Termination Event**" occurs with respect to an ~~FCM Client~~OTC IRS FCM Client, when a case commenced by or against the ~~FCM Client~~OTC IRS FCM Client under the U.S. Bankruptcy Code or a receiver or other insolvency administrator is appointed for the ~~FCM Client~~OTC IRS FCM Client or any of the ~~FCM Client~~OTC IRS FCM Client's assets.

"~~FCM Client~~OTC IRS FCM Client **Default**" for the purpose of this Number 9 means the occurrence of one of the following events with respect to the ~~FCM Client~~OTC IRS FCM Client (unless the relevant event has already resulted in an ~~FCM Client~~OTC IRS FCM Client **Insolvency Termination Event**):

(1) **Insolvency related Events**

Any action, legal proceedings or other procedure or step is taken in relation to any of the following events or any of the following events occurs with respect to the ~~FCM Client~~OTC IRS FCM Client:

- (a) the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, termination of existence, liquidation, administration, reorganisation or restructuring (by way of voluntary arrangement, scheme of arrangement or otherwise), bankruptcy, insolvency, judicial management or curatorship;
- (b) a settlement, deferred payment, debt restructuring, transfer, restructuring, composition, compromise, assignment or similar arrangement of the ~~FCM Client~~OTC IRS FCM Client with any of its creditors;
- (c) the appointment of a liquidator, trustee, receiver, administrative receiver, administrator, compulsory manager or other similar officer in respect of that ~~FCM Client~~OTC IRS FCM Client or any of its assets; or

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any analogous procedure or step is taken in any jurisdiction.

(2) Failure to comply with Clearing Conditions

The ~~FCM Client~~OTC IRS FCM Client fails to comply with the Clearing Agreement (incorporating the Clearing Conditions) to which it is a party or is in breach of any of its representations given in a Clearing Agreement and such failure is not remedied by the ~~FCM Client~~OTC IRS FCM Client or by the ~~FCM Clearing Member~~OTC IRS FCM Clearing Member under the ~~FCM Clearing Member~~OTC IRS FCM Clearing Member Guarantee.

(3) Violation of Regulatory Provisions

Non-compliance with regulatory requirements by the ~~FCM Client~~OTC IRS FCM Client, provided that non-compliance with such requirements may, in the reasonable opinion of Eurex Clearing AG, materially impair the proper fulfilment of the obligations of the ~~FCM Client~~OTC IRS FCM Client under the relevant ~~FCM Client~~OTC IRS FCM Client Standard Agreement.

(4) Change in Law and other similar Causes

(a) Any change takes place in the laws of Germany or the laws applicable to the ~~FCM Client~~OTC IRS FCM Client, respectively, or the official interpretation or application of such laws which, in the reasonable opinion of Eurex Clearing AG, have a material adverse impact on the interests or services of Eurex Clearing AG under the Clearing Conditions or the interests of Clearing Members (other than the ~~FCM Clearing Member~~OTC IRS FCM Clearing Member of such ~~FCM Client~~OTC IRS FCM Client), or

(b) any similar event occurs having a similar adverse impact on the interests or services of Eurex Clearing AG under the Clearing Conditions or the interests of Clearing Members (other than the ~~FCM Clearing Member~~OTC IRS FCM Clearing Member of such ~~FCM Client~~OTC IRS FCM Client).

(5) Failure to comply with rules of other DCO(s)

The ~~FCM Client~~OTC IRS FCM Client fails to comply in any material respect with the provisions of the rulebook(s) of any other Derivatives Clearing Organisation.

(6) Termination for serious cause (aus wichtigem Grund)

Eurex Clearing AG declines to continue the Clearing of ~~FCM Client~~OTC IRS FCM Client Transactions with the ~~FCM Client~~OTC IRS FCM Client due to the occurrence of an event which gives rise to a serious cause (*wichtiger Grund*) and the continuation of the Clearing of such ~~FCM Client~~OTC IRS FCM Client Transactions, taking into account all the circumstances of the specific case and weighing the interests of both parties, cannot reasonably be expected.

9.2 Upon the occurrence of an ~~FCM Client~~OTC IRS FCM Client Insolvency Termination Event or an ~~FCM Client~~OTC IRS FCM Client Default with respect to an ~~FCM Client~~OTC IRS FCM Client, the following provisions of this Number 9 shall apply, provided that if,

prior to the ~~FCM Client~~OTC IRS FCM Client Insolvency Termination Event or before any of the actions set out in this Number 9 has been taken, a U.S. Bankruptcy Event with respect to the ~~FCM Clearing Member~~OTC IRS FCM Clearing Member of such ~~FCM Client~~OTC IRS FCM Client occurs, the restrictions set out in Number 8.7 shall apply *mutatis mutandis*.

9.3 If at any time an ~~FCM Client~~OTC IRS FCM Client Insolvency Termination Event has occurred with respect to the ~~FCM Client~~OTC IRS FCM Client, a termination in relation to the ~~FCM Client~~OTC IRS FCM Client Standard Agreement (as further specified in Number 9.6) (a "~~FCM Client~~OTC IRS FCM Client Termination") shall occur with immediate effect as of such time (the date of such ~~FCM Client~~OTC IRS FCM Client Termination being the "~~FCM Client~~OTC IRS FCM Client Termination Date" and the respective termination time being the "~~FCM Client~~OTC IRS FCM Client Termination Time"). As of such time Eurex Clearing AG will suspend the Clearing pursuant to the U.S. Clearing Model Provisions of new ~~FCM Client~~OTC IRS FCM Client Transactions of such ~~FCM Client~~OTC IRS FCM Client.

9.4 If an ~~FCM Client~~OTC IRS FCM Client Default occurs with respect to an ~~FCM Client~~OTC IRS FCM Client, Eurex Clearing AG may one or more times suspend or limit the Clearing pursuant to the U.S. Clearing Model Provisions of new ~~FCM Client~~OTC IRS FCM Client Transactions of such ~~FCM Client~~OTC IRS FCM Client.

Eurex Clearing shall notify the affected ~~FCM Client~~OTC IRS FCM Client and its ~~FCM Clearing Member~~OTC IRS FCM Clearing Member of the decision to suspend or limit the Clearing. Eurex Clearing AG shall, unless an ~~FCM Client~~OTC IRS FCM Client Default pursuant to Number 9.1 Paragraph (1) has occurred, specify in the notification a reasonable period of time during which such suspension or limitation shall apply.

Furthermore, if Eurex Clearing AG so demands, the relevant ~~FCM Client~~OTC IRS FCM Client shall, at its own expense, provide such information and evidence as Eurex Clearing AG, in its reasonable opinion may deem necessary, to conduct an appropriate investigation of the facts and circumstances relating to the ~~FCM Client~~OTC IRS FCM Client Default.

Before limiting or suspending the Clearing of new ~~FCM Client~~OTC IRS FCM Client Transactions under this Number 9.4, and without limiting its rights under Number 9.5 below, Eurex Clearing AG shall, where reasonable in the circumstances and unless an ~~FCM Client~~OTC IRS FCM Client Default pursuant to Number 9.1 Paragraph (2) has occurred, attempt to consult with the relevant ~~FCM Clearing Member~~OTC IRS FCM Clearing Member, further to which Eurex Clearing AG may in its absolute discretion agree a grace period within which the ~~FCM Client~~OTC IRS FCM Client or its ~~FCM Clearing Member~~OTC IRS FCM Clearing Member may remedy the event in question.

9.5 If an ~~FCM Client~~OTC IRS FCM Client Default has occurred and is continuing with respect to an ~~FCM Client~~OTC IRS FCM Client, Eurex Clearing AG may give a written termination notice to such ~~FCM Client~~OTC IRS FCM Client (with a copy to its ~~FCM Clearing Member~~OTC IRS FCM Clearing Member) (the "~~FCM Client~~OTC IRS FCM Client Termination Notice") specifying the date and time on which an ~~FCM Client~~OTC IRS FCM Client Termination shall occur.

For such ~~FCM Client~~OTC IRS ~~FCM Client~~ Termination, the ~~FCM Client~~OTC IRS ~~FCM Client~~ Termination Date will be the date, and the ~~FCM Client~~OTC IRS ~~FCM Client~~ Termination Time will be the time, as specified in the ~~FCM Client~~OTC IRS ~~FCM Client~~ Termination Notice.

9.6 If an ~~FCM Client~~OTC IRS ~~FCM Client~~ Termination Date has occurred with respect to an ~~FCM Client~~OTC IRS ~~FCM Client~~ Standard Agreement, the following provisions shall apply:

9.6.1 Termination of ~~FCM Client~~OTC IRS ~~FCM Client~~ Transactions and Redelivery Claims

All current and future primary obligations (including payment and delivery obligations) under the relevant ~~FCM Client~~OTC IRS ~~FCM Client~~ Standard Agreement between Eurex Clearing AG and the ~~FCM Client~~OTC IRS ~~FCM Client~~ arising from ~~FCM Client~~OTC IRS ~~FCM Client~~ Transactions and any Redelivery Claim under the relevant ~~FCM Client~~OTC IRS ~~FCM Client~~ Standard Agreement shall expire (*auflösende Bedingung*) as of the ~~FCM Client~~OTC IRS ~~FCM Client~~ Termination Time and shall no longer be required to be performed by the relevant obligor. Furthermore, all due but unsatisfied obligations in respect of the relevant ~~FCM Client~~OTC IRS ~~FCM Client~~ Margin or ~~FCM Client~~OTC IRS ~~FCM Client~~ Variation Margin shall expire (*auflösende Bedingung*) as of the ~~FCM Client~~OTC IRS ~~FCM Client~~ Termination Time. The expiration affects all claims arising from ~~FCM Client~~OTC IRS ~~FCM Client~~ Transactions under the relevant ~~FCM Client~~OTC IRS ~~FCM Client~~ Standard Agreement independent of the time they came into existence or would have come into existence otherwise. These expired primary obligations and delivery obligations, respectively, are reflected by the Difference Claim (as defined below).

9.6.2 Difference Claim

The difference claim of either Eurex Clearing AG or the ~~FCM Client~~OTC IRS ~~FCM Client~~ under the relevant ~~FCM Client~~OTC IRS ~~FCM Client~~ Standard Agreement shall become unconditional and immediately due in the Termination Currency against the respective other party as of the end of the Last Valuation Date and shall be determined in accordance with Number 7.3 (except for Number 7.3.3) of the General Clearing Provisions using the Liquidation Price Approach (each a "**Difference Claim**"), provided that references in such provisions of Number 7.3 of the General Clearing Provisions to "Termination", "Termination Date" and "Termination Time" shall be read as references to "~~FCM Client~~OTC IRS ~~FCM Client~~ Termination", "~~FCM Client~~OTC IRS ~~FCM Client~~ Termination Date" and "~~FCM Client~~OTC IRS ~~FCM Client~~ Termination Time", respectively, and Eurex Clearing AG shall be the party entitled to value the Difference Claim.

9.6.3 Notification

Eurex Clearing AG shall notify the value of the Difference Claim determined by it with respect to the relevant ~~FCM Client~~OTC IRS ~~FCM Client~~ Standard Agreement to the ~~FCM Client~~OTC IRS ~~FCM Client~~ and the relevant ~~FCM Clearing Member~~OTC IRS ~~FCM Clearing Member~~ as soon as reasonably practicable after its determination, together with reasonable detail regarding the data and information forming the basis of the determination.

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9.6.4 Payment of Difference Claim

- (1) The debtor of the Difference Claim under the relevant ~~FCM Client~~ OTC IRS FCM Client Standard Agreement between Eurex Clearing AG and the relevant ~~FCM Client~~ OTC IRS FCM Client shall pay the determined amount of the Difference Claim as soon as reasonably practicable following the notification by Eurex Clearing AG of the payable amount pursuant to Number 9.6.3.

[...]

9.6.5 Establishment of Own Transactions with the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member

- (1) By signing the Clearing Agreement in the form appended to the Clearing Conditions as Appendix 10, the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member agrees that, with effect as of the ~~FCM Client~~ OTC IRS FCM Client Termination Time and without any further action being required, Own Transactions will be established directly between Eurex Clearing AG and the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member in lieu of the terminated ~~FCM Client~~ OTC IRS FCM Client Transactions. Each such Own Transaction shall have the same terms and conditions as the corresponding terminated ~~FCM Client~~ OTC IRS FCM Client Transaction as of the ~~FCM Client~~ OTC IRS FCM Client Termination Time as if no ~~FCM Client~~ OTC IRS FCM Client Termination Date had occurred (except that the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member and not the ~~FCM Client~~ OTC IRS FCM Client will be the contractual counterparty to Eurex Clearing AG). Each Own Transaction so established will form part of the Elementary Proprietary Standard Agreement of the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member and Eurex Clearing AG and be subject to the Elementary Clearing Model Provisions.
- (2) Upon the establishment of all Own Transactions that correspond to the terminated ~~FCM Client~~ OTC IRS FCM Client Transactions in accordance with Paragraph (1),
- (i) if a Difference Claim of Eurex Clearing AG against the ~~FCM Client~~ OTC IRS FCM Client has been determined pursuant to Number 9.6.2, Eurex Clearing AG shall assign to the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member such Difference Claim;
 - (ii) if a Difference Claim of the ~~FCM Client~~ OTC IRS FCM Client against Eurex Clearing AG has been determined pursuant to Number 9.6.2, the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member shall pay to Eurex Clearing AG an amount equal to such Difference Claim; and
 - (iii) Eurex Clearing AG shall release its pledges over Eligible Margin Assets in the form of Securities provided by the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member as ~~FCM Client~~ OTC IRS FCM Client Margin in relation to the terminated ~~FCM Client~~ OTC IRS FCM Client Transactions if Eurex Clearing AG's claims secured by such pledges have been discharged or, in the case of a Difference Claim of Eurex Clearing AG, assigned to the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member, unless, in each case, the relevant pledges have lapsed as a matter of law.

- (3) After the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member (a) in the case of Paragraph (2) (i) above, has, through the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member Guarantee, discharged all remaining Secured U.S. Clearing Model Claims of Eurex Clearing AG against the ~~FCM Client~~ OTC IRS FCM Client or the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member or (b) in the case of Paragraph (2) (ii) above, has paid such amount to Eurex Clearing AG and has, through the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member Guarantee, discharged all remaining Secured U.S. Clearing Model Claims of Eurex Clearing AG against the ~~FCM Client~~ OTC IRS FCM Client or the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member, the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member Guarantee shall lapse and Eurex Clearing AG shall release its pledges over any Eligible Margin Assets that form part of the ~~FCM Client~~ OTC IRS FCM Client Margin of the ~~FCM Client~~ OTC IRS FCM Client (unless such pledges lapse as a matter of law).

10 Collateralisation of ~~FCM Client~~ OTC IRS FCM Client Difference Claim

Eurex Clearing AG will provide collateral to the ~~FCM Client~~ OTC IRS FCM Client to secure any Difference Claim of the ~~FCM Client~~ OTC IRS FCM Client against Eurex Clearing AG that may arise pursuant to the provisions of Numbers 8 or 9 and any difference claim of the ~~FCM Client~~ OTC IRS FCM Client against Eurex Clearing AG that may arise pursuant to Chapter I Part 1 Number 9. The collateral will be provided by way of pledging to the ~~FCM Client~~ OTC IRS FCM Client a bank account under German law (each a “**Collateral Account**”) at a Permitted Depository of Eurex Clearing AG in which Eurex Clearing AG will deposit sufficient cash funds to cover the Difference Claim as determined from time to time.

The ~~FCM Client~~ OTC IRS FCM Client irrevocably authorises (*bevollmächtigt*) the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member to enforce, on behalf of the ~~FCM Client~~ OTC IRS FCM Client, the pledge over the Collateral Account if and when such pledge becomes enforceable. The ~~FCM Client~~ OTC IRS FCM Client shall, if a U.S. Bankruptcy Event has occurred with respect to the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member, comply with any instruction of the Bankruptcy Trustee and any order of the relevant bankruptcy court in respect of the enforcement of such pledge and the proceeds of such enforcement.

11 Replacement of ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member

Without prejudice to a replacement of an Affected ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member in accordance with Number 8, prior to the occurrence of an Insolvency Termination Event or Termination Event with respect to its ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member, the ~~FCM Client~~ OTC IRS FCM Client may effect a replacement of its ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member in accordance with this Number 11 with respect to all or some of its ~~FCM Client~~ OTC IRS FCM Client Transactions under the relevant ~~FCM Client~~ OTC IRS FCM Client Standard Agreement only with the prior written consent of Eurex Clearing AG, the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member and a replacement ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member and subject to the prior conclusion of a Clearing Agreement in the form appended to the Clearing Conditions as Appendix 10 between Eurex Clearing AG, the

~~FCM Client~~OTC IRS ~~FCM Client~~ and the replacement ~~FCM Clearing Member~~OTC IRS ~~FCM Clearing Member~~. Eurex Clearing AG's consent will not be unreasonably withheld. In order to effect such replacement of an ~~FCM Clearing Member~~OTC IRS ~~FCM Clearing Member~~ on a Business Day, all or, in the case of a partial transfer, the relevant rights and obligations of the ~~FCM Clearing Member~~OTC IRS ~~FCM Clearing Member~~ in respect of such ~~FCM Client~~OTC IRS ~~FCM Client~~ Transactions shall be transferred, by way of assumption of contract (*Vertragsübernahme*) to the replacement ~~FCM Clearing Member~~OTC IRS ~~FCM Clearing Member~~ to be set out in a separate transfer agreement between the existing ~~FCM Clearing Member~~OTC IRS ~~FCM Clearing Member~~, the replacement ~~FCM Clearing Member~~OTC IRS ~~FCM Clearing Member~~, the ~~FCM Client~~OTC IRS ~~FCM Client~~ and Eurex Clearing AG. For the avoidance of doubt, the provisions under Number 8 of the General Clearing Conditions shall not apply to a replacement of an ~~FCM Clearing Member~~OTC IRS ~~FCM Clearing Member~~.

Such transfer shall become effective only upon Eurex Clearing AG having received all of the documents set out below in form and substance satisfactory to it (provided that, where Eurex Clearing AG itself would be required to become a party to any such document for it to become effective, nothing in this Number 11 shall prejudice Eurex Clearing AG's decision whether or not to do so). Eurex Clearing AG shall notify the relevant parties in writing promptly upon being so satisfied and specify a transfer date binding on all relevant parties in such notice.

In the case of a partial transfer, Number 8.4.11 (except for any provisions on a Termination or a Termination Date) shall apply *mutatis mutandis*.

Original copies of the following documents shall be provided to Eurex Clearing AG:

[...]

- (ii) a Clearing Agreement in the form appended to the Clearing Conditions as Appendix 10 between Eurex Clearing AG, the ~~FCM Client~~OTC IRS ~~FCM Client~~ and the replacement ~~FCM Clearing Member~~OTC IRS ~~FCM Clearing Member~~; and

[...]

Attachment 2 to Eurex Clearing circular 084/17

Chapter I of the Clearing Conditions of Eurex Clearing AG

General Provisions

As of 02.10.2017

AMENDMENTS ARE MARKED AS FOLLOWS:

INSERTIONS ARE UNDERLINED,

DELETIONS ARE CROSSED OUT.

[...]

Chapter I General Provisions

[...]

Part 1 General Clearing Provisions

[...]

12 Other Agreements between Clearing Members and Non-Clearing Members with regard to the Clearing of Eurex Transactions and FWB Transactions; Determination of limits for Clearing Members by Eurex Clearing AG with respect to Market Transactions

[...]

12.8 Determination of Pre-Trade-Limits for Clearing Members by Eurex Clearing AG

12.8.1 Eurex Clearing AG is entitled to determine specific limits for a Clearing Member with respect to the execution of Market Transactions. If the relevant Clearing Member does not comply with the limits determined by Eurex Clearing AG, Eurex Clearing AG shall inform the relevant Clearing Member thereof.

12.8.2 With respect to Clearing Members holding only a Clearing Licence for Eurex Transactions, Eurex Clearing AG is entitled to determine Pre-Trade Limits with respect to Eurex Transactions (including Eurex Off-Book Trades) ("CM Pre-Trade Limits"). If the Clearing Member breaches CM Pre-Trade Limits, the Clearing under all Standard Agreements of such Clearing Member will be suspended with immediate effect in accordance with the following provisions. Eurex Clearing AG shall notify without undue delay the affected Clearing Member and all Non-Clearing Members and Registered Customers of such Clearing Member of the suspension from the Clearing.

(1) CM Pre-Trade Limits may include restrictions with respect to the maximum aggregate margin requirement or maximum margin requirement with respect to specific Eligible Margin Assets.

Eurex Clearing AG shall immediately notify the relevant Clearing Member of the determination and any change of the CM Pre-Trade Limits.

Clearing Conditions for Eurex Clearing AG

(2) The Clearing of Eurex Transactions or Eurex Off-Book Trades of the relevant Clearing Member or its Non-Clearing Members shall be subject to prior verification by the systems of Eurex Clearing AG of the full compliance with the CM Pre-Trade-Limits. Only in case of fulfilment of these requirements, the orders and quotes of the Clearing Member or its Non-Clearing Members shall be matched with other orders or quotes or their Eurex Off-Book Trades shall be included in the Clearing.

(3) In case of a breach of CM Pre-Trade Limits by a Clearing Member and the suspension of the Clearing by Eurex Clearing AG, the Management Boards of the Eurex Exchanges shall immediately order the temporary exclusion of the Clearing Member and all Non-Clearing Members of such Clearing Member from trading and the suspension of the trading admission of the Clearing Member and all Non-Clearing Members of such Clearing Member in accordance with the rules of the Eurex Exchanges.

The Clearing Member and all Non-Clearing Members of such Clearing Member shall be informed immediately about the suspension of the trading admission via the systems of the Eurex Exchanges; at the same time, the access of the Clearing Member and all Non-Clearing Members of such Clearing Member to the systems of the Eurex Exchanges shall be limited accordingly.

In case of a breach of CM Pre-Trade Limits, the systems of the Eurex Exchanges ensure that the Clearing Member and all Non-Clearing Members of the Clearing Member are prevented from entering orders and quotes with respect to Eurex Transactions or Eurex Off-Book Transactions into the system of the Eurex Exchanges. Orders and quotes with respect to Eurex Transactions or Eurex Off-Book Transactions of the Clearing Member or its Non-Clearing Members already existing into the System shall be deleted.

(4) If a breach of CM Pre-Trade Limits by a Clearing Member, which led to the suspension of the Clearing pursuant to Number 12.8.2, is remedied, Eurex Clearing AG shall immediately withdraw the suspension of the Clearing of Eurex Transactions (including Eurex Off-Book Transactions) by the Clearing Member and its Non-Clearing Members and the Management Boards of the Eurex Exchanges shall immediately withdraw the temporary exclusion from trading and the suspension of the trading admission with respect to the Clearing Member and its Non-Clearing Members, provided that no measures have been taken with respect to the relevant Non-Clearing Member pursuant to Numbers 12.1 to 12.7.

[...]

Attachment 3 to Eurex Clearing circular 084/17

Chapter VIII of the Clearing Conditions of Eurex Clearing AG

Clearing of OTC Derivative Transactions

As of 02.10.2017

AMENDMENTS ARE MARKED AS FOLLOWS:

INSERTIONS ARE UNDERLINED,

DELETIONS ARE CROSSED OUT.

[...]

Preamble

This Chapter VIII 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 VIII.

In accordance with Chapter I Part 2 Number 2.1.1 or Chapter I Part 6 Number 4.1.1, as the case may be, Chapter I together with this Chapter VIII and all references to other Chapters or Annexes of the Clearing Conditions shall apply for (i) all Clearing Members (including ~~FCM Clearing Member~~ OTC IRS FCM Clearing Members) with a respective Clearing License, their Non-Clearing Members, Registered Customers, ICM Clients and ~~FCM Client~~ OTC IRS FCM Clients, (ii) Basic Clearing Members with a respective Basic Clearing Member Clearing Licence and their Clearing Agents as well as (iii) all Interim Participants (if applicable).

[...]

Part 1 General Provisions

[...]

1.1 Clearing License

1.1.1 Granting of the Clearing License

In order to participate in the Clearing of OTC Derivative Transactions, a clearing license for the relevant Transaction Types is required (each an “**OTC Clearing License**”). The OTC Clearing License may be granted by Eurex Clearing AG upon written application. Each OTC Clearing License may be restricted to certain product groups within the scope of a Transaction Type if this is provided for in respect of such OTC Clearing License. Notwithstanding Chapter I Part 1 Number 2.1.1 Paragraph (4), an OTC Clearing License, as regulated in more detail in the respective Clearing Agreement, will be exclusively issued as a

- (i) General Clearing License which entitles its holder to clear Own Transactions, Customer-Related Transactions and RC-Related

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Transactions (all as defined in Chapter I Part 1 Number 1.2.3) or, in respect of ~~U.S. Clearing Member~~ OTC IRS U.S. Clearing Members, Own Transactions and, if the ~~U.S. Clearing Member~~ OTC IRS U.S. Clearing Member is an ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member, also ~~FCM Client~~ OTC IRS FCM Client Transactions or

[...]

1.2 Conclusion of Transactions

OTC Derivative Transactions pursuant to this Chapter VIII are concluded by way of novation in accordance with the following provisions:

1.2.1 Novation

[...]

(2) Whenever:

- (i) the trade record of an Original OTC Transaction is transmitted to Eurex Clearing AG via an Approved Trade Information Provider; and
- (ii) (A) the parties to the Original OTC Transaction are Clearing Members or Basic Clearing Members, each holding the relevant OTC Clearing License or ~~FCM Client~~ OTC IRS FCM Clients; or

[...]

- (iii) Eurex Clearing AG accepts such Original OTC Transaction for inclusion in the Clearing Procedures by making an OTC Novation Report available to the Clearing Member (in the case of an ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member, acting on behalf of the relevant ~~FCM Client~~ OTC IRS FCM Client) or Basic Clearing Member (or the Clearing Agent acting on behalf of the Basic Clearing Member) electronically via its system,

OTC Derivative Transactions will be concluded by way of novation (i) in accordance with Chapter I Part 1 Number 1.2.2 Paragraph (2), (ii) in the case of CCP-~~FCM Client~~ OTC IRS FCM Client Transactions, Chapter I Part 5 Number 1.4, or (iii) in case of a Basic Clearing Member Transaction, Chapter I Part 6 Number 1.3, within a daily or weekly novation process as provided for with respect to the Transaction Type in Part 2.

- (3) Any acceptance of the Original OTC Transaction by Eurex Clearing AG for inclusion in the Clearing and the related novation pursuant to Chapter I Part 1 Number 1.2.2 Paragraph (2) or, in the case of CCP-~~FCM Client~~ OTC IRS FCM Client Transactions, Chapter I Part 5 Number 1.4, and, in case of a Basic Clearing Member Transaction, Chapter I Part 6 Number 1.3, as applicable, will be subject to the novation criteria pursuant to Number 1.2.3 and will be based on the trade record provided by the Approved Trade Information Provider on behalf of the parties to the Original OTC Transaction. Eurex Clearing AG relies on the accuracy of the data set out in the trade record transmitted and is neither able nor obliged to verify whether the trade

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record received properly reflects the terms of the Original OTC Transaction entered into by the relevant parties.

- (4) Under the CCP Transactions created upon novation, the relevant Clearing Member or Basic Clearing Member has, in economic terms, the same economic role (e.g. as floating rate payer or as fixed rate payer, respectively) as such Clearing Member or Basic Clearing Member (in case of Own Transactions) or the Registered Customer (in case of RC-Related Transactions) or other customer (in case of Customer-Related Transactions) of the Clearing Member had under the Original OTC Transaction. The same principle applies to CM-RC Transactions *mutatis mutandis*. Under the CCP-~~FCM-Client~~OTC IRS FCM Client Transactions created upon novation, the relevant ~~FCM-Client~~OTC IRS FCM Client has, in economic terms, the same economic role (e.g. as floating rate payer or as fixed rate payer, respectively) as such ~~FCM-Client~~OTC IRS FCM Client had under the Original OTC Transaction.
- (5) It is the responsibility of the parties to the Original OTC Transaction to agree on a bilateral basis that the Original OTC Transaction shall be cancelled upon novation. With respect to any Original OTC Transaction to which an ~~FCM-Client~~OTC IRS FCM Client is a party, this provision shall not apply and instead only Chapter I Part 5 Number 1.4 Paragraph (4) applies.

[...]

- (7) For the purposes of this Chapter VIII,

[...]

- (b) “~~CCP-FCM-Client~~OTC IRS FCM Client Transaction” means with respect to a Clearing Agreement with an ~~FCM-Client~~OTC IRS FCM Client in the form appended to the Clearing Conditions as Appendix 10, an OTC Derivative Transaction established between Eurex Clearing AG and the relevant ~~FCM-Client~~OTC IRS FCM Client pursuant to Paragraph (2) and Chapter I Part 5 Number 1.4.
- (c) “**CCP Transaction**” means any OTC Derivative Transaction between Eurex Clearing AG and the relevant Clearing Member created pursuant to Chapter I Part 1 Number 1.2.2 Paragraph (2) or between Eurex Clearing AG and the relevant Basic Clearing Member created pursuant to Chapter I Part 6 Number 1.3 Paragraph (2) or a ~~CCP-FCM-Client~~OTC IRS FCM Client Transaction between Eurex Clearing AG and the relevant ~~FCM-Client~~OTC IRS FCM Client.

[...]

- (f) “**CM-Customer Transaction**” means a transaction corresponding to a CCP Transaction and which has been created between the Clearing Member and any customer (other than a Registered Customer or ~~FCM-Client~~OTC IRS FCM Client) of the Clearing Member in accordance with the contractual arrangements between them. A CM-Customer Transaction shall exclusively be

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subject to the contractual arrangements between the relevant Clearing Member and its customer, which may refer to these Clearing Conditions.

[...]

1.2.2 Legal Effectiveness of Novation

The novation becomes legally effective at the point of time when Eurex Clearing AG accepts the relevant OTC Derivative Transaction for Clearing by making the relevant OTC Novation Report available to the relevant Clearing Member (and, in the case of an ~~CCP-FCM Client~~ OTC IRS FCM Client Transactions, to the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member acting on behalf of the relevant ~~FCM Client~~ OTC IRS FCM Client) or, as the case may be, Basic Clearing Member (or Clearing Agent acting on behalf of the Basic Clearing Member) electronically via Eurex Clearing AG's system.

1.2.3 Novation Criteria

- (1) Eurex Clearing AG will accept an Original OTC Transaction for inclusion in the Clearing in accordance with the daily or weekly novation process, as applicable, if the following novation criteria are fulfilled:

[...]

2. The trade record transmitted to Eurex Clearing AG via an Approved Trade Information Provider must specify in respect of the relevant Original OTC Transaction (i) that it is to be cleared by Eurex Clearing AG as well as (ii) (A) if any party of the Original OTC Transaction is a Clearing Member or Basic Clearing Member which does not hold the relevant OTC Clearing License, the Clearing Member holding the relevant OTC Clearing License selected by such party or (B) if any party of the Original OTC Transaction is an ~~FCM Client~~ OTC IRS FCM Client, the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member of such ~~FCM Client~~ OTC IRS FCM Client or (C) if any party of the Original OTC Transaction is a Basic Clearing Member, the Clearing Agent of such Basic Clearing Member ;

[...]

7. No ~~FCM Client~~ OTC IRS FCM Client Termination Date has occurred with respect to an ~~FCM Client~~ OTC IRS FCM Client that is a party to the Original OTC Transaction;

[...]

9. The Clearing Member(s) (including, in the case of OTC Derivative Transactions that are ~~FCM Client~~ OTC IRS FCM Client Transactions, the relevant ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member(s) acting for the account of the relevant ~~FCM Client~~ OTC IRS FCM Client(s)) and Basic Clearing Member(s) seeking to clear the relevant OTC Derivative Transaction must have delivered Eligible Margin Assets to Eurex Clearing AG as required pursuant to Chapter I Part 1 Number 3, the Elementary Clearing Model Provisions, the Individual

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Clearing Model Provisions, the Net Omnibus Clearing Model Provisions, the U.S. Clearing Model Provisions and the Basic Clearing Member Clearing Provisions, to cover the calculated risks resulting from all Transactions and the CCP Transaction to be created;

[...]

- (2) If a novation criterion is not fulfilled but the relevant OTC Novation Report has nevertheless been made available via the system of Eurex Clearing AG and, accordingly, novation is effective, Eurex Clearing AG is entitled to terminate the CCP Transactions by notifying the relevant Clearing Member(s) (in the case of an Original OTC Transaction to which an ~~FCM Client~~ OTC IRS FCM Client is a party, the relevant ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member acting on behalf such ~~FCM Client~~ OTC IRS FCM Client) and Basic Clearing Member(s) (or the Clearing Agent(s) acting on behalf of the relevant Basic Clearing Member(s)) in writing (including by fax or e-mail) provided that none of the two CCP Transactions created upon novation of the Original OTC Transaction was subject to (i) any netting or accumulation pursuant to Part 2 Number 2.5 or (ii) a transfer or trade amendment pursuant to Part 2 Number 2.6.

Upon and with effect of such termination, any CM-RC Transaction, if applicable, shall, without further notice, be terminated simultaneously; the relevant Clearing Member(s) shall inform the relevant Registered Customer(s) thereof. Otherwise, it is the responsibility of the relevant parties to agree on a bilateral basis to what extent, as a result of the termination of the relevant CCP Transaction, any Client Clearing CM-RC Transaction or CM-Customer Transaction shall be terminated and the Original OTC Transaction shall be re-instated in accordance with its original terms.

1.2.4 Special Provisions with respect to the Conclusion of CCP Transactions

[...]

- (2) By entering into the Clearing Agreement in the form appended to the Clearing Conditions as Appendix 10, the ~~FCM Client~~ OTC IRS FCM Client (i) authorises Eurex Clearing AG to capture and maintain records vis-à-vis the respective Approved Trade Source System and (ii) confirms that it has appointed the relevant Approved Trade Source System to receive trade communications and to generate and send trade communications to Eurex Clearing AG on its behalf. Eurex Clearing AG may rely on such trade communications.

[...]

- (4) The ~~FCM Client~~ OTC IRS FCM Client agrees that upon acceptance of an Original OTC Transaction for inclusion in the Clearing by Eurex Clearing AG based on a trade record of an Original OTC Transaction submitted by the Approved Trade Source System to Eurex Clearing AG on behalf of such ~~FCM Client~~ OTC IRS FCM Client (or the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member acting for the account of such ~~FCM Client~~ OTC IRS FCM Client) pursuant to Number 1.2.1, a Transaction will be concluded between Eurex Clearing AG and the ~~FCM Client~~ OTC IRS FCM Client on terms based on the trade record pursuant to Number 1.2.1 in

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conjunction with Number 1.4 of the U.S. Clearing Model Provisions. The ~~FCM Client~~OTC IRS FCM Client agrees to be legally bound by each such Transaction and acknowledges that no further specific agreement to be legally bound shall be required to be given by the ~~FCM Client~~OTC IRS FCM Client at the time of the conclusion of such transaction.

- (5) The Clearing Member, the ~~FCM Client~~OTC IRS FCM Client and the Basic Clearing Member should check without undue delay all notices and reports received from Eurex Clearing AG with regard to the correct conclusion of Transactions and inform Eurex Clearing AG of any mistakes, errors, omissions, deviations or irregularities in such notice or report in accordance with Number 4.6 of the General Clearing Provisions.
- (6) Eurex Clearing AG does not assume any liability vis-à-vis the ~~FCM Clearing Member~~OTC IRS FCM Clearing Member or the ~~FCM Client~~OTC IRS FCM Client in respect of inaccuracies in the trade record submitted pursuant to Paragraph (4) above, or if the trade record has not been initiated by the ~~FCM Client~~OTC IRS FCM Client.

[...]

1.3 Transaction Accounts

- (1) With regard to the accounts of the Clearing Member or, as relevant, the ~~FCM Client~~OTC IRS FCM Client or the Basic Clearing Member Chapter I Part 1 Number 4 together with Part 2 Number 4, Part 3 Subpart A Number 4, Part 4 Number 4 or Part 5 Number 3, or, in the case of a Basic Clearing Member, together with Chapter I Part 6 Number 5 apply in addition to the following provisions.
- (2) In deviation to Chapter I Part 1 Number 4 together with Part 2 Number 4, Part 3 Subpart A Number 4 and Part 4 Number 4 Eurex Clearing AG opens and maintains with respect to each Clearing Member (other than an ~~FCM Clearing Member~~OTC IRS FCM Clearing Member) the following transaction accounts in which the Transactions of the Clearing Member to be cleared have to be booked:
 - (a) with respect to Own Transactions and Customer-Related Transactions: one Own Account and, upon request, additional Customer Accounts; and
 - (b) with respect to RC-Related Transactions: one Own Account and, upon request, additional Customer Accounts.

1.4 Tax Gross-up Obligations of Clearing Members, ~~FCM Client~~OTC IRS FCM Client and Basic Clearing Members

If a Clearing Member, an ~~FCM Client~~OTC IRS FCM Client or a Basic Clearing Member is obliged by law to deduct or withhold a tax amount or other fiscal charge from a payment which it is to make, it shall pay to Eurex Clearing AG such additional amounts as are necessary to ensure that Eurex Clearing AG receives the full amount to which it would have been entitled at the time of such payment if no deduction or withholding were required. If a Clearing Member, an ~~FCM Client~~OTC IRS FCM Client or a Basic Clearing

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Member is obliged to pay such additional amounts pursuant to Sentence 1, the Clearing Member, ~~FCM Client~~ OTC IRS FCM Client or Basic Clearing Member shall not be entitled to terminate a CCP Transaction due to such obligation.

[...]

Part 2 Clearing of OTC Interest Rate Derivative Transactions

2.1 General Provisions

[...]

2.1.2 Consultation of Clearing Members and Basic Clearing Members/Committees

2.1.2.1 Determination of Transactions to be included in the Clearing

[...]

- (3) Eurex Clearing AG will determine those product types of OTC Interest Rate Derivative Transactions that may be cleared by ~~FCM Clearing Member~~ OTC IRS FCM Clearing Members (acting for the account of ~~FCM Client~~ OTC IRS FCM Clients) pursuant the U.S. Clearing Model Provisions (“**FCM OTC Interest Rate Derivatives Transactions**”) in consultation with the IRS Product Committee and publish the relevant product types on its website (www.eurexclearing.com).

The determination will be based upon a review of at least the following factors: (i) trading volume; (ii) liquidity; (iii) availability of reliable prices; (iv) ability of Eurex Clearing AG and the relevant ~~U.S. Clearing Member~~ OTC IRS U.S. Clearing Members to gain access to the relevant market for purposes of creating, liquidating, transferring, auctioning, and/or allocating positions; (v) Eurex Clearing AG’s capability to measure risk for setting appropriate margin requirements; and (vi) any unusual risk characteristics of a product.

Transactions that may be cleared by ~~FCM Clearing Member~~ OTC IRS FCM Clearing Members must be within a class of contracts for which Eurex Clearing AG has been found eligible to offer clearing services by the CFTC.

~~FCM Clearing Member~~ OTC IRS FCM Clearing Members may not clear any OTC Interest Rate Derivative Transactions which are not determined to be FCM OTC Interest Rate Derivatives Transactions pursuant to this Number 2.1.2.1 Paragraph (3).

[...]

2.1.3 License for the Clearing of OTC Interest Rate Derivative Transactions

The OTC Clearing License granted for the Clearing of OTC Interest Rate Derivative Transactions (the “**Interest Rate Derivatives Clearing License**”) entitles

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- (i) the relevant General Clearing Member to clear OTC Interest Rate Derivative Transactions that are Own Transactions, RC-Related Transactions, Customer-Related Transactions or ~~FCM Client~~ OTC IRS FCM Client Transactions (in respect of which the Clearing Member act as an ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member) under the Elementary Clearing Model Provisions, the Individual Clearing Model Provisions, the Net Omnibus Clearing Model Provisions or the U.S. Clearing Model Provisions, as applicable,

[...]

2.1.4.2 Documentation of Original OTC Transactions

[...]

- (3) By entering into the relevant Clearing Agreement, the Clearing Member and the Registered Customer, the ~~FCM Client~~ OTC IRS FCM Client or the Basic-Clearing-Member, respectively, declare(s) vis-à-vis Eurex Clearing AG that it has received a copy of the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc. (“**ISDA**”), and any supplements issued thereto as of the date of such Clearing Agreement.

The Clearing Member, the Registered Customer, the ~~FCM Client~~ OTC IRS FCM Client and the Basic Clearing Member further agree to the passing on to ISDA of their company name and their company address in the context of the delivery to it of the documents referred to in the foregoing paragraph.

2.1.4.3 Daily Novation Process

[...]

- (2) Original OTC Transactions that are to be included in the Clearing by way of Daily Novation may be submitted to Eurex Clearing AG at any point in time. Between 8:00 CET and 22:00 CET on each Business Day, Original OTC Transactions which fulfil all novation criteria at or prior to 22:00 CET on a Business Day will be included in the Daily Novation on such Business Day. An OTC Trade Novation Report will be made available to the relevant Clearing Member (in respect of an ~~FCM Client~~ OTC IRS FCM Client Transaction, to the relevant ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member acting on behalf of the relevant ~~FCM Client~~ OTC IRS FCM Client) or to the relevant Basic Clearing Member (or Clearing Agent acting on behalf of the Basic Clearing Member) electronically via Eurex Clearing AG's system. The last OTC Trade Novation Report will be made available at or around 23:00 CET.

[...]

- (4) A Clearing Member, a Registered Customer, an ~~FCM Client~~ OTC IRS FCM Client or a Basic Clearing Member (or Clearing Agent acting on behalf of the Basic Clearing Member) may subsequently cancel the submission with respect to:
- (a) any Original OTC Transactions submitted to Eurex Clearing AG via an Approved Trade Source System and intended to be novated within the Daily

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Novation if the relevant Original OTC Transactions have not been novated;
and/or

- (b) any CCP Transaction intended to be transferred pursuant to Number 2.6, to be terminated pursuant to 2.7,

provided that (i) the cancellation request is entered by the Clearing Member (and, in respect of an ~~FCM Client~~ OTC IRS FCM Client Transaction, by the relevant ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member acting on behalf of the relevant ~~FCM Client~~ OTC IRS FCM Client), the Registered Customer, the ~~FCM Client~~ OTC IRS FCM Client or the Basic Clearing Member (or Clearing Agent acting on behalf of the Basic Clearing Member) into the system of, and received by, Eurex Clearing AG, and (ii) each, the responsible Clearing Member, in case the request is entered by a Registered Customer, or the relevant ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member (acting on behalf of the relevant ~~FCM Client~~ OTC IRS FCM Client), in case the request is entered on behalf of its ~~FCM Client~~ OTC IRS FCM Client, and the other Clearing Member or Basic Clearing Member (or Clearing Agent acting on behalf of the Basic Clearing Member) that is a party to the relevant transaction have given their prior consent in the system of Eurex Clearing AG.

2.1.4.4 Scheduled Intraday Margin Calls

- (1) If Eurex Clearing AG determines that the aggregate value of the Eligible Margin Assets actually delivered to Eurex Clearing AG is insufficient to provide the cover required in order to fulfil the margin requirement (as set forth in Number 2.1.6) also taking into account all Original OTC Transactions which are to be novated in the course of the Daily Novation as well as all CCP Transactions pursuant to Numbers 2.6, 2.7 and Number 2.8. (any such shortfall the “**Shortfall Margin Requirement**”), Eurex Clearing AG will require from the Clearing Member (in the case of CCP ~~FCM Client~~ OTC IRS FCM Client Transactions, from the relevant ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member acting for the account of the relevant ~~FCM Client~~ OTC IRS FCM Client) or from the Basic Clearing Member intra-day to provide additional Eligible Margin Assets in an amount up to the Shortfall Margin Requirement in accordance with the following provisions.

[...]

- (3) Eurex Clearing AG will debit the Final Shortfall Margin Amount set forth in an OTC Margin Call Report in the agreed Clearing Currency from the relevant Clearing Member Cash Account, relevant Basic Clearing Member Cash Account or relevant ~~U.S. Clearing Member~~ OTC IRS U.S. Clearing Member Cash Account, as relevant, in accordance with the daily cash clearing procedure pursuant to Chapter I Part 1 Number 1.4.1. If such Clearing Currency can no longer be settled, Eurex Clearing AG shall convert the Final Shortfall Margin Amount in USD at the exchange rate determined by Eurex Clearing AG (as mentioned in the relevant Preliminary OTC Margin Call Report or OTC Margin Call Report).
- (4) The payment made by direct debit of the Final Shortfall Margin Amount determined in the OTC Margin Call Report produced and made available by Eurex Clearing AG

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at 13:00 CET, 15:00 CET and 19:00 CET shall constitute cover in respect of the Margin to which the margin requirement pursuant to Number 2.1.6 relates and accordingly will constitute (i) Elementary Proprietary Margin or Elementary Omnibus Margin delivered by the Clearing Member pursuant to the Elementary Clearing Model Provisions, (ii) Segregated Margin delivered by the Clearing Member pursuant to the Individual Clearing Model Provisions, (iii) Net Omnibus Margin delivered by the Clearing Member pursuant to the Net Omnibus Clearing Model Provisions, (iv) ~~FCM Client~~ OTC IRS FCM Client Margin delivered by the relevant ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member for the account of the relevant ~~FCM Client~~ OTC IRS FCM Client pursuant to the U.S. Clearing Model Provisions or (v) Basic Clearing Member Margin delivered by the Basic Clearing Member pursuant to the Basic Clearing Member Provisions. The payment made by direct debit of the Final Shortfall Margin Amount determined in the OTC Margin Call Report produced and made available by Eurex Clearing AG at 22:30 CET shall be treated accordingly and shall constitute cover either in respect of (i) the Elementary Proprietary Margin or Elementary Omnibus Margin delivered by the Clearing Member pursuant to the Elementary Clearing Model Provisions, (ii) the Segregated Margin delivered by the Clearing Member pursuant to the Individual Clearing Model Provisions. (iii) the Net Omnibus Margin delivered by the Clearing Member pursuant to the Net Omnibus Clearing Model Provisions, (iv) the ~~FCM Client~~ OTC IRS FCM Client Margin delivered by the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member for the account of the relevant ~~FCM Client~~ OTC IRS FCM Client pursuant to the U.S. Clearing Model Provisions or (v) the Basic Clearing Member Margin delivered by the Basic Clearing Member pursuant to the Basic Clearing Member Provisions .

[...]

2.1.4.5 Bulk Backloading of Original OTC Transactions

[...]

- (5) At 15:00 CET and 17:00 CET on each Business Day Eurex Clearing AG will make available to the Clearing Member (in the case of an ~~FCM Client~~ OTC IRS FCM Client Transaction, to the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member acting on behalf of the relevant ~~FCM Client~~ OTC IRS FCM Client) and Registered Customer or the Basic Clearing Member (or Clearing Agent acting on behalf of the Basic Clearing Member) a preliminary report indicating the Bulk Backloading Original OTC Transactions which have been received for Clearing and which fulfil the novation criteria pursuant to Number 2.1.4.1, the Margin Requirement as well as any shortage in actually delivered eligible Margin Assets.

[...]

- (7) For Bulk Backloaded Original OTC Transactions which, on the day of submission, fulfil all novation criteria except for the provision of the Eligible Margin Asset necessary to cover the margin requirement Eurex Clearing AG will debit the shortfall amount set forth in the OTC Margin Call Report produced and made available at 22:30 CET in the agreed Clearing Currency from the relevant Clearing Member Cash Account, relevant ~~U.S. Clearing Member~~ OTC IRS U.S. Clearing Member Cash

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Account or Basic Clearing Member Cash Account, as relevant, in accordance with the daily cash clearing procedure pursuant to Chapter I Part 1 Number 1.4.1. Such payment made by direct debit shall constitute cover in respect of the Margin to which the margin requirement referred to in the foregoing sentence relates and accordingly will constitute (i) Elementary Proprietary Margin or Elementary Omnibus Margin delivered by the Clearing Member pursuant to the Elementary Clearing Model Provisions, (ii) Segregated Margin delivered by the Clearing Member pursuant to the Individual Clearing Model Provisions, (iii) Net Omnibus Margin delivered by the Clearing Member pursuant to the Net Omnibus Clearing Model Provisions, (iv) ~~FCM Client~~ OTC IRS FCM Client Margin delivered by the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member for the account of the relevant ~~FCM Client~~ OTC IRS FCM Client pursuant to the U.S. Clearing Model Provisions or (v) Basic Clearing Member Margin delivered by the Basic Clearing Member pursuant to the Basic Clearing Member Provisions. Eurex Clearing AG will make available an OTC Trade Novation Report on the Business Day following the day of submission at or around 9:30 CET to the Clearing Member (in the case of an ~~FCM Client~~ OTC IRS FCM Client Transaction, to the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member acting on behalf of the relevant ~~FCM Client~~ OTC IRS FCM Client) and the Registered Customer or the Basic Clearing Member (or the Clearing Agent acting on behalf of the Basic Clearing Member).

- (8) A Clearing Member (in the case of an ~~FCM Client~~ OTC IRS FCM Client Transaction, the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member acting on behalf of the relevant ~~FCM Client~~ OTC IRS FCM Client), Registered Customer or a Basic Clearing Member (or a Clearing Agent acting on behalf of the Basic Clearing Member) may subsequently cancel the submission with respect to any Bulk Backloading Original OTC Transaction submitted to Eurex Clearing AG via an Approved Trade Source System and intended to be novated by the latest by 17:00 CET on a Business Day, provided that
- (i) the cancellation request is entered by the Clearing Member (or ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member acting on behalf of the relevant ~~FCM Client~~ OTC IRS FCM Client), the Registered Customer or Basic Clearing Member (or Clearing Agent acting on behalf of the Basic Clearing Member) into the system of, and received by, Eurex Clearing AG, and
 - (ii) each, the responsible Clearing Member, in case the request is entered by a Registered Customer, or the relevant ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member (acting on behalf of the relevant ~~FCM Client~~ OTC IRS FCM Client), in case the request is entered on behalf of its ~~FCM Client~~ OTC IRS FCM Client, and the other Clearing Member or the other Basic Clearing Member (or Clearing Agent acting on behalf of the Basic Clearing Member) that is a party to the relevant Transaction have given their prior consent in the system of Eurex Clearing AG.

[...]

2.1.6 Margin Requirements

[...]

- (3) The Variation Margin Requirement or ~~FCM Client~~ OTC IRS FCM Client Variation Margin Requirement and/or any Redelivery Amount (each as defined in Chapter I Part 2 Number 7, Part 3 Subpart A Number 6, Part 4 Number 7 or Part 5 Number 6, as applicable), as the case may be, for CCP Transactions that are OTC Interest Rate Derivative Transactions shall equal the profit or loss amount determined on any Business Day on the basis of the daily evaluation price (Number 2.1.5) as follows: For each outstanding CCP Transaction concluded prior to the relevant Business Day, the relevant profit or loss amount shall be the difference between the daily evaluation prices of the CCP Transaction on the relevant Business Day and the previous Business Day. For CCP Transactions concluded on the relevant Business Day, the relevant profit and loss amount shall be the difference between zero and the daily evaluation price for such Business Day. Additionally, the Variation Margin includes two correction terms for considering the time delay between its calculation and settlement. For this purpose, the coupon payments and transaction fees on the current Business Day are added and the coupon payments and transaction fees on the next Business Day (second next Business Day for DKK, NOK, SEK and JPY) of the respective currency are subtracted.
- (4) Eurex Clearing AG will charge the price alignment interest (“PAI”) to the Clearing Member, the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member (for the account of the ~~FCM Client~~ OTC IRS FCM Client) or the Basic Clearing Member together with the Variation Margin, the ~~FCM Client~~ OTC IRS FCM Client Variation Margin or the Basic Clearing Member Variation Margin, as the case may be. It corresponds to the overnight interest paid or received on the cumulative Variation Margin, ~~FCM Client~~ OTC IRS FCM Client Variation Margin or Basic Clearing Member Variation Margin over the lifetime of the portfolio. The cumulative Variation Margin, ~~FCM Client~~ OTC IRS FCM Client Variation Margin or Basic Clearing Member Variation Margin, respectively, of the previous Business Day corresponds to the present value of the IRS portfolio on the previous Business Day.

If the overnight interest rates are positive and a Clearing Member, an ~~FCM Client~~ OTC IRS FCM Client or a Basic Clearing Member has a positive portfolio value, Eurex Clearing AG will charge PAI from the Clearing Member, the ~~FCM Client~~ OTC IRS FCM Client or the Basic Clearing Member. If the overnight interest rates are positive and a Clearing Member, an ~~FCM Client~~ OTC IRS FCM Client or a Basic Clearing Member has a negative portfolio value, Eurex Clearing AG will credit PAI to the Clearing Member, the ~~FCM Client~~ OTC IRS FCM Client or Basic Clearing Member. In case of negative overnight interest rates, Eurex Clearing AG will credit PAI to a Clearing Member, an ~~FCM Client~~ OTC IRS FCM Client or Basic Clearing Member if it has a positive portfolio value and will charge PAI from the Clearing Member, the ~~FCM Client~~ OTC IRS FCM Client or the Basic Clearing Member if the Clearing Member, ~~FCM Client~~ OTC IRS FCM Client or Basic Clearing Member has a negative portfolio value.

[...]

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2.2 General product-related terms for OTC Interest Rate Derivative Transactions

The following general product-related terms shall apply to the OTC Interest Rate Derivative Transactions provided for in Number 2.3 and 2.4.

2.2.1 Payment Obligations

- (1) The relevant Clearing Member, ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member (for the account of the ~~FCM Client~~ OTC IRS FCM Client) or Basic Clearing Member (or its Clearing Agent acting for its account) and Eurex Clearing AG shall pay either Fixed Amounts or Floating Amounts and, if applicable, any initial amount payable under the relevant CCP Transaction, as provided for in Number 2.3 and 2.4. Eurex Clearing AG may discharge its payment obligations by way of set-off in accordance with Chapter I Part 1 Number 1.3.1 Paragraph (1) (a) and (f) and Chapter I Part 1 Number 1.3.1 Paragraph (2) (a) (aa), (b) and (c) (subject to the limitations set out in Chapter I Part 5 Number 4).

[...]

2.6 Trade Netting and Accumulation

- (1) Eurex Clearing AG may agree with a Clearing Member (including an ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member, acting on behalf of the relevant ~~FCM Client~~ OTC IRS FCM Client, with respect to the relevant ~~FCM Client~~ OTC IRS FCM Client Transactions) or a Basic Clearing Member (or Clearing Agent acting on behalf of the Basic Clearing Member) upon the mutual cancellation (“**netting**”) and the accumulation of CCP Transactions that are OTC Interest Rate Derivative Transactions provided that such CCP Transactions are part of the same Standard Agreement. In this case, the netting and accumulation shall be carried out on the basis of the following provisions agreed upon by Eurex Clearing AG and the Clearing Member (including an ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member, acting on behalf of the relevant ~~FCM Client~~ OTC IRS FCM Client) or Basic Clearing Member (or Clearing Agent acting on behalf of the Basic Clearing Member). Such agreement may be terminated by the Clearing Member (including an ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member, acting on behalf of the relevant ~~FCM Client~~ OTC IRS FCM Client) or Basic Clearing Member (or Clearing Agent acting on behalf of the Basic Clearing Member) with the effect on the Business Day following the receipt of the termination notice by Eurex Clearing AG.

[...]

- (3) To the extent the CCP Transactions that are subject to netting or accumulation pursuant to Number 2.6.1 and 2.6.2 are Customer-Related Transactions, it is a matter of the relevant parties to agree, whether as a result of such netting or accumulation, any corresponding CM-Customer Transactions shall be subject to netting or accumulation. To the extent the CCP Transactions that are subject to netting or accumulation pursuant to Number 2.6.1 and 2.6.2 are ~~FCM Client~~ OTC IRS FCM Client Transactions, it is a matter of the relevant ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member and the relevant ~~FCM Client~~ OTC IRS FCM Client to agree, whether as a result of such netting or accumulation, any corresponding

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arrangements between the ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member and the ~~FCM Client~~ OTC IRS FCM Client shall be subject to netting or accumulation.

- (4) For the avoidance of doubt, Eurex Clearing AG is not obliged to verify whether the netting or accumulation instructions were given by the relevant Registered Customer, ~~FCM Client~~ OTC IRS FCM Client or other customer to the Clearing Member.

2.6.1 Inclusion of CCP Transactions in the Netting and Accumulation Process

[...]

- (3) CCP Transaction will be netted and/or accumulated if the CCP Transactions have been designated for netting and/or accumulation, as the case may be, by the respective Clearing Member (including an ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member, acting on behalf of the relevant ~~FCM Client~~ OTC IRS FCM Client) or by the respective Basic Clearing Member (or Clearing Agent acting on behalf of the relevant Basic Clearing Member) in the system of Eurex Clearing AG (“**Optional Netting**”). Such designation shall be submitted no later than by 22:00 CET on the relevant Business Day.
- (4) Instead of Optional Netting, (i) a Clearing Member or Basic Clearing Member (or Clearing Agent acting on behalf of the Basic Clearing Member) may select that all Own Transactions and, in case of a Clearing Member, separate from the Own Transactions, all RC-Related Transactions booked on the Own Account maintained with respect to a Registered Customer are netted or accumulated, as the case may be, at the end of each Business Day and (ii) an ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member (acting on behalf of the relevant ~~FCM Client~~ OTC IRS FCM Client) may select that all ~~FCM Client~~ OTC IRS FCM Client Transactions under the relevant ~~FCM Client~~ OTC IRS FCM Client Standard Agreement are netted or accumulated, as the case may be, at the end of each Business Day.

2.6.2 Netting and Accumulation Procedure

- (1) The CCP Transactions selected for netting shall be netted with each other to the maximum extent possible on each netting level (and provided that CCP-~~FCM Client~~ OTC IRS FCM Client Transactions may only be netted with CCP-~~FCM Client~~ OTC IRS FCM Client Transactions that form part of the same ~~FCM Client~~ OTC IRS FCM Client Standard Agreement). Upon closing of the netting, all CCP Transactions that were netted are cancelled.

The remaining CCP Transactions for which there is no counterposition with which they can be netted may be accumulated and novated to one or more CCP Transaction(s) of the same Product Type with the aggregate notional amount of the accumulated CCP Transactions (and provided that CCP-~~FCM Client~~ OTC IRS FCM Client Transactions may only be accumulated with CCP-~~FCM Client~~ OTC IRS FCM Client Transactions that form part of the same ~~FCM Client~~ OTC IRS FCM Client Standard Agreement). The CCP Transactions that were accumulated shall be cancelled.

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[...]

2.7 Transfer of CCP Transactions and Account Transfer

- (1) A CCP Transaction (other than a ~~CCP-FCM-Client~~ OTC IRS FCM Client Transaction) or a CM-RC Transaction, if applicable, may be transferred in accordance with Paragraphs (3) to (8) and Number 2.7.1 and 2.7.2 below, as applicable.

[...]

- (9) The provisions of Chapter I Part 5 on the replacement of a ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member by a ~~FCM-Client~~ OTC IRS FCM Client shall remain unaffected.

2.7.1 Transfer of a CCP Transaction to another Clearing Member or Basic Clearing Member (Trade Transfer)

- (1) Upon request of a Clearing Member or Basic Clearing Member (or the Clearing Agent acting on behalf of the Basic Clearing Member) or a Registered Customer entered into the system of Eurex Clearing AG, a CCP Transaction (other than a ~~CCP-FCM-Client~~ OTC IRS FCM Client Transaction) may be transferred from a Clearing Member or Basic Clearing Member to another Clearing Member or Basic Clearing Member holding the required Interest Rate Derivatives Clearing License. If the CCP Transaction to be transferred is an RC-Related Transaction, the corresponding CM-RC Transaction, if applicable, will be transferred simultaneously. In the case of any Client Clearing CM-RC Transactions or CM-Customer-Related Transactions, Number 2.7 Paragraphs (5) and (6) apply.

[...]

2.7.2 Account Management or Account Transfers

- (1) Clearing Members and Basic Clearing Members (or a Clearing Agent acting on behalf of the relevant Basic Clearing Member) may book CCP Transactions (other than any ~~CCP-FCM-Client~~ OTC IRS FCM Client Transactions) to or from any of their transaction accounts in accordance with this Number 2.7.2. Any booking will take place either (i) by way of an account booking within the same Standard Agreement together with, if applicable, a transfer of the CM-RC Transaction, if applicable, to another Registered Customer of the relevant Clearing Member by way of novation pursuant to Chapter I Part 1 Number 1.2.2 Paragraph (5) (d) or (ii) by way of a transfer to another Standard Agreement by way of novation pursuant to Chapter I Part 1 Number 1.2.2 Paragraph (5) (a) – (c).

[...]

2.7.2.1 Account Management in case of Own Transactions and Customer-Related Transactions

Upon request of a Clearing Member (other than an ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member), Eurex Clearing AG may book (a) an Own Transaction from its Own

Account pursuant to Chapter I Part 1 Number 4.2.1 Paragraph (1) to the Clearing Member's Customer Account pursuant to Chapter I Part 1 Number 4.2.1 Paragraph (1) (thereby becoming a Customer-Related Transaction) or (b) a Customer-Related Transaction from its Customer Account pursuant to Chapter I Part 1 Number 4.2.1 Paragraph (1) to the Clearing Member's Own Account pursuant to Chapter I Part 1 Number 4.2.1 Paragraph (1) (thereby becoming an Own Transaction).

[...]

2.7.3 Trade Amendment

A Clearing Member, Basic Clearing Member (or a Clearing Agent acting on behalf of the relevant Basic Clearing Member) or a Registered Customer may, by means of an entry in Eurex Clearing AG's system, split CCP Transactions (other than CCP ~~FCM Client~~ OTC IRS FCM Client Transactions) or CM-RC Transactions, if applicable, and assign new customer references to the new Transactions resulting from the trade split provided that such new Transactions are booked in the same account as the Transaction that existed before the trade split was made. As a result, new CCP Transactions or CM-RC Transactions, if applicable, will be created the aggregate nominal amount of which is equal to the nominal amount of the CCP Transaction or the CM-RC Transaction, if applicable, that was split.

[...]

2.11 Use of Data provided by Eurex Clearing AG

A Clearing Member, Registered Customer, ~~FCM Client~~ OTC IRS FCM Client or Basic-Clearing-Member (or the Clearing Agent acting on behalf of the relevant Basic Clearing Member) may not use any data provided to it by Eurex Clearing AG in connection with the determination of the daily evaluation price or the determination of the relevant Business Day without the prior consent of Eurex Clearing AG, save for the purposes of fulfilling its own obligations vis-à-vis its customers relating to corresponding OTC interest rate derivative transactions or in order to comply with an obligation vis-à-vis a competent regulatory authority.

Attachment 4 to Eurex Clearing circular 084/17

AMENDMENTS ARE MARKED AS FOLLOWS:

INSERTIONS ARE UNDERLINED,

DELETIONS ARE CROSSED OUT.

Appendix 10 to the Clearing Conditions of Eurex Clearing AG:

Clearing Agreement

with a ~~FCM Clearing Member~~OTC IRS FCM Clearing Member~~OTC IRS~~
OTC IRS FCM Clearing Member and a ~~FCM Client~~OTC IRS FCM Client
for the U.S. Clearing Model

As of 02.10.2017

This Clearing Agreement (the “**Agreement**”) is dated the last date specified on the signature page hereof and entered into

BETWEEN:

(1) _____
(legal name)

acting through / having its (registered) office at

as ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member (the “**FCM Clearing Member** ~~OTC IRS FCM Clearing Member~~”);

(2) _____
(legal name)

acting through / having its (registered) office at

as ~~FCM Client~~ OTC IRS FCM Client (the “**FCM Client** ~~OTC IRS FCM Client~~”); and

(3) [...]

The ~~FCM Clearing Member~~ OTC IRS FCM Clearing Member, the ~~FCM Client~~ OTC IRS FCM Client and Eurex Clearing AG are hereinafter also referred to as the “**Parties**” and each of them as a “**Party**”. Unless the context requires otherwise, terms used in this Agreement shall have the meaning given to them in the Clearing Conditions for Eurex Clearing AG (the “**Clearing Conditions**”).

1. The Parties enter into this Agreement for the Clearing of ~~FCM-Client~~ OTC IRS FCM Client Transactions pursuant to the U.S. Clearing Model Provisions. This Agreement shall only cover the Clearing of OTC Interest Rate Derivative Transactions in accordance with Chapter VIII Part 2 of the Clearing Conditions.

2. [...]

3. Eurex Clearing AG charges fees to the ~~FCM-Clearing Member~~ OTC IRS FCM Clearing Member (acting for the account of the ~~FCM-Client~~ OTC IRS FCM Client) for its Clearing services in accordance with the Clearing Conditions and the Price List for Eurex Clearing AG, in each case as amended. The ~~FCM-Clearing Member~~ OTC IRS FCM Clearing Member may charge the same amount (plus any additional fees as may be agreed between the Clearing Member and the ~~FCM-Client~~ OTC IRS FCM Client) to the ~~FCM-Client~~ OTC IRS FCM Client.

4. Each of the ~~FCM-Clearing Member~~ OTC IRS FCM Clearing Member and the ~~FCM-Client~~ OTC IRS FCM Client makes, severally but not jointly, to Eurex Clearing AG amongst others the representations and warranties set out in the following provisions of the Clearing Conditions (as relevant):

- (1) Chapter I Part 1 Number 1.7 (*Representations with respect to Clearing Agreements*); and
- (2) Chapter I Part 1 Number 1.9 (*No Clearing of FX Options Transactions for US Persons*).

The representations and warranties set out in under Chapter I Part 1 Number 1.8 (*No Clearing of OTC Interest Rate Derivatives for US Persons*) shall not be applicable.

Eurex Clearing AG makes the representations and warranties set out in Chapter I Part 1 Number 1.7.6 of the Clearing Conditions.

5. The ~~FCM-Clearing Member~~ OTC IRS FCM Clearing Member hereby grants the ~~FCM-Clearing Member~~ OTC IRS FCM Clearing Member Guarantee in favour of Eurex Clearing AG pursuant to Chapter I Part 5 Number 1.6.7 of the Clearing Conditions.

6. Unless otherwise agreed between the FCM-Clearing Member and Eurex Clearing AG, the FCM-Clearing Member undertakes to enter into a pledge agreement with Eurex Clearing AG in the form as may be required by Eurex Clearing AG in order to grant a pledge required pursuant to Chapter I Part 5 Number 5.7 in order to provide ~~FCM-Client~~ OTC IRS FCM Client Margin pursuant to the U.S. Clearing Model Provisions.

The ~~FCM-Clearing Member~~ OTC IRS FCM Clearing Member may not participate in the Clearing of ~~FCM-Client~~ OTC IRS FCM Client Transactions if the relevant pledge(s) have not been granted.

7. Each of the ~~FCM-Clearing Member~~ OTC IRS FCM Clearing Member and the ~~FCM-Client~~ OTC IRS FCM Client hereby grants all powers of attorney, authorisations and instructions stated to be granted by it in the Clearing Conditions and acknowledges to be

bound by the provisions of the Clearing Conditions on the conclusion, amendment, termination, transfer, accumulation or netting of ~~FCM Client~~OTC IRS FCM Client Transactions, in particular pursuant to (as relevant):

- (1) Chapter I Part 5 Number 1.4 (Conclusion of ~~FCM Client~~OTC IRS FCM Client Transactions);
- (2) Chapter I Part 5 Number 1.6.3 (Authorisation of the ~~FCM Clearing Member~~OTC IRS FCM Clearing Member to to issue, submit and receive, also on behalf of the ~~FCM Client~~OTC IRS FCM Client, all statements (including, without limitation, any notice, termination notice or other declaration to and from Eurex Clearing AG) and to take and accept all other acts on behalf of the ~~FCM Client~~OTC IRS FCM Client that are necessary or expedient to effect the ~~FCM Client~~OTC IRS FCM Client Transactions and for the performance by or to the ~~FCM Client~~OTC IRS FCM Client of obligations arising thereunder or under the Clearing Conditions);
- (3) Chapter I Part 5 Numbers 8.4.6 and 8.4.7 (Transfer of Eligible Margin Assets in the form of Securities);
- (4) Chapter I Part 5 Number 8.7.2 Paragraph (2) (Instruction of Eurex Clearing AG to pay the determined amount of the Difference Claim for the account of the ~~FCM Client~~OTC IRS FCM Client to the Bankruptcy Trustee);
- (5) Chapter I Part 5 Number 10 (Authorisation of ~~FCM Clearing Member~~OTC IRS FCM Clearing Member to enforce pledge over Collateral Account); and
- (6) Chapter VIII Part 1 Number 1.2.4 (Special Provisions with respect to the conclusion of CCP Transactions).

The ~~FCM Client~~OTC IRS FCM Client acknowledges that no further specific agreement or legal action is required under German law as the governing law of this Agreement in order for it to be legally bound by any ~~FCM Client~~OTC IRS FCM Client Transaction resulting from the operation of any such provision.

[...]

10. Unless otherwise provided for in the Clearing Conditions, neither the ~~FCM Clearing Member~~OTC IRS FCM Clearing Member nor the ~~FCM Client~~OTC IRS FCM Client shall assign any of its respective rights or claims under this Agreement except with the prior written consent of all other Parties.

[...]

AUTHORISED SIGNATURES
to the Clearing Agreement

(as FCM-Clearing Member ~~OTC IRS FCM Clearing Member~~) (Place / Date)

Name:

Name:

Function:

Function:

(as FCM-Client ~~OTC IRS FCM Client~~)

(Place / Date)

Name:

Name:

Function:

Function:

Eurex Clearing Aktiengesellschaft

(Eurex Clearing AG)

(Place / Date)

Name:

Name:

Function:

Function:
