

Eurex Clearing AG
ECAG Rule Certification 092-21
October 28, 2021

1. The text of the proposed stated policy is appended as Attachment A. This certification does not propose any express amendments to the Clearing Conditions of Eurex Clearing AG (“Eurex Clearing”) or FCM Regulations of Eurex Clearing.
2. The date of intended implementation is November 29, 2021.
3. Attached please find a certification that: (1) these amendments comply with the Commodity Exchange Act (the “Act”), and the Commission’s regulations thereunder; and (2) concurrent with the filing of this submission, Eurex Clearing is posting a copy of this filing to its website at: <http://www.eurexclearing.com/clearing-en/resources/cftc-dco-filing>.
4. A concise explanation and analysis of the operation, purpose, and effect of the amended rule appears below.
5. There were no opposing views expressed regarding these amended rules.
6. Confidential treatment is not requested.

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

Eurex Clearing is setting forth the proposed stated policy stated in Eurex Clearing Circular 092/21 (appended as Attachment A) to revise the initial-margin model-parameters of the stress period value-at-risk (“VaR”) floor with the aim to further improve the anti-procyclicality properties of Prisma for OTC derivatives.

The following revisions to the initial-margin floor parameters are proposed:

- Increase of the long-term target level from 99 percent to 99.5 percent
- Inclusion of Covid-19 stress dates in the historical stress period dates

The overall impacts will translate into higher initial margin requirements in the current low volatility market environment. Clearing Member- as well as client-specific impacts can be material but will depend on the individually cleared exposure profiles per account.

The parametrization for the other market-risk initial-margin components relevant for OTC derivatives, such as the filtered historical simulation VaR and the correlation break adjustment component, will remain unchanged and will not be impacted.

Further information regarding the operation, purpose and effect of the proposed amendments is discussed in the attached Eurex Clearing Circular 092-21, which is appended as Attachment A.

Eurex Clearing has identified the following DCO Core Principle as potentially being relevant to the above amendments:

1. DCO Core Principle D (Risk Management): The proposed stated policy will comply with DCO Core Principle D because the proposed revisions to the initial-margin model-parameters of the stress period VaR floor will continue to improve the anti-procyclicality properties of Prisma for OTC derivatives, and Eurex Clearing will continue to comply with this Core Principle.

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

I hereby certify that:

Internal

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

/s/ Eric Seinsheimer

By: Eric Seinsheimer

Title: US CCO, Eurex Clearing AG

Dated: October 28, 2021