

Eurex Clearing AG
ECAG Rule Certification 116/17
November 16, 2017

1. The text of the proposed amendments to the Clearing Conditions of Eurex Clearing AG (“Clearing Conditions”) is appended as Attachment A. Any additions are underlined and any deletions are struck through.
2. The dates of intended implementation are December 11, 2017 and January 15, 2018.
3. Attached please find a certification that: (1) these amendments comply with the Commodity Exchange Act (the “Act”), and the Commission’s regulations thereunder; and (2) concurrent with the filing of this submission, Eurex Clearing is posting a copy of this filing to its website at: <http://www.eurexclearing.com/clearing-en/resources/cftc-dco-filing>.
4. A concise explanation and analysis of the operation, purpose, and effect of the amended rule appears below.
5. There were no opposing views expressed regarding these amended rules.
6. Confidential treatment is not requested.

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

Eurex Clearing is proposing the following amendments to the Clearing Conditions:

1. First, the proposed amendments provide editorial changes to Chapter II (Transactions Concluded at Eurex Deutschland and Eurex Zürich) of the Clearing Conditions to correct references and further specify sections.
2. Second, the proposed amendments introduce a net collateral exposure calculation option for securities lending transactions. Currently, securities lending transactions are processed on a loan-by-loan basis, i.e., collateral exposure is calculated on a gross basis only. Clearing members will be able to specify whether to use a gross or net collateral exposure calculation.
3. Third, the proposed amendments propose changes to the settlement bank fee charged if a clearing member chooses to use a commercial bank recognized by Eurex Clearing for the processing of clearing-related cash payments in its chosen clearing currency. Eurex Clearing previously announced in Eurex Clearing Circular 021/16 (filed as a 40.6 rule filing) that the volume-based fee would be waived until the end of 2017. The proposed amendments continue this fee waiver until further notice. In addition, the proposed amendments eliminate the fixed monthly minimum fee for clearing-related cash payments in British Pound.

4. Fourth, the proposed amendments in Chapter VI (Transaction Concluded at the Irish Stock Exchange) change the maximum bid price of the Buy-In Auction for equity and equity-style products to 120 percent of the last determined settlement price.
5. Fifth, the proposed amendments propose clarifying amendments regarding close-out netting in Chapter IX (Clearing of Securities Lending Transactions) of the Clearing Conditions to align Chapter IX with amendments made in Eurex Clearing 094/17 (filed as a 40.6 filing).

The proposed amendments for Nos. 1, 2, 3, and 4 above will become effective on December 11, 2017. The proposed amendments for No. 5 above fall within the scope of the Special Provisions of the Clearing Conditions and are thus subject to the consultation process. The consultation will begin on November 16, 2017 and end on December 18, 2017. All affected customers may submit comments during this timeframe. This consultation period will be followed by the regular notification period of 15 business days, after which the proposed amendments will become effective on January 15, 2018, provided that no more than two affected customers request a prolonged notification period.

Further information regarding the operation, purpose, and effect of the proposed amendments is discussed in the attached Eurex Clearing Circular 116/17, which is appended as Attachment A.

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

1. DCO Core Principle C (Participant and Product Eligibility): The amendments will comply with DCO Core Principle C because the amendments change the settlement bank fees, and the fees charged by Eurex Clearing will continue to be objective, publicly disclosed, and permit fair and open access.
2. DCO Core Principle E (Settlement Procedures): The amendments will comply with DCO Core Principle E because the amendments introduce a new collateral exposure calculation method for securities lending transactions and change the maximum bid price in a Buy-In Auction for certain products executed pursuant to Chapter VI of the Clearing Conditions, and Eurex Clearing will continue to comply with this Core Principle.

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

I hereby certify that:

- (1) the amendments comply with the Commodity Exchange Act, and the Commission's regulations thereunder; and
- (2) concurrent with the filing of this submission, Eurex Clearing is posting a copy of this filing to its website at: <http://www.eurexclearing.com/clearing-en/resources/cfte-dco-filing>.



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Dated: November 16, 2017