

Eurex Clearing AG
ECAG Rule Certification 103/18
December 5, 2018

1. The text of the proposed stated policy is appended as Attachment A. There are no express amendments to the Clearing Conditions of Eurex Clearing being proposed.
2. The date of intended implementation is January 1, 2019.
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 stated policy. To facilitate for market participants the creation of an alternative liquidity pool for OTC interest rate derivatives clearing in the EU, Eurex Clearing will grant a discount on its existing Gold Packs for clearing members that clear high volumes in OTC interest rate derivatives ("IRD"). This pack will allow subscribed Clearing Members to clear all OTC IRD products including IRS, OIS, FRA, Basis, ZCIS across all currencies without any cleared or outstanding volume limits under a Discounted Gold Pack. The Discounted Gold Pack is offered at a discount of ~33% / ~23% on the Gold Packs for IRS and ZCIS, as outlined in the Price List of Eurex Clearing AG, Chapter 10.4. The discount level depends on the booking time.

In addition, a Forward Rate Agreement (FRA) Package will be introduced, effective 1 January 2019, which allows existing Clearing Members unlimited clearing in Forward Rate Agreements under a fixed fee. An upgrade from the FRA Pack to the Discounted Gold Pack in 2019 is possible; economics and terms depend on booking time. The details of the Discounted Gold Pack and the FRA Pack are outlined in a table in Eurex Clearing Circular 103/18, which is appended as Attachment A. Attachment A also provides further information regarding the operation, purpose, and effect of the proposed stated policy.

For avoidance of doubt, currently only proprietary swap clearing in OTC IRS is permitted for US Clearing Members. (Eurex Clearing plans to launch its LSOC compliant offering for client clearing of swaps as soon as Commodity Futures Trading Commission ("CFTC") approval to proceed is obtained.)

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

1. DCO Core Principle C (Participant and Product Eligibility): The proposed stated policy will comply with DCO Core Principle C because the stated policy provides certain discounts to swap clearing, and all Eurex Clearing pricing will be objective, publicly disclosed, permit fair and open access, and will continue to comply with this Core Principle.

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

I hereby certify that:

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



By: Eric Seinsheimer

Title: US Compliance Officer, Eurex Clearing AG

Dated: December 5, 2018