

Eurex Clearing AG
ECAG Rule Certification 107-20
December 8, 2020

1. The text of the proposed amendments to the Clearing Conditions (“**Clearing Conditions**”) of Eurex Clearing AG (“**Eurex Clearing**”) and Price List (“**Price List**”) of Eurex Clearing is appended as Attachment A. Any additions are underlined and any deletions are struck through.
2. For Amendment No. 1 below, the date of intended implementation is January 4, 2021. For Amendment No. 2 below, the date of intended implementation is January 1, 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: <https://www.eurex.com/ec-en/rules-regs/regulations/cftc-dco-filings>.
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:

1. With regard to the clearing of exchange-traded derivative (“**ETD**”) transactions on Eurex Deutschland, the proposed amendments to Chapter II (Transactions Concluded at Eurex Detuschland (Eurex Exchange)) of the Clearing Conditions and the Price List provide that Eurex Clearing may now exempt a clearing member from the requirement to maintain a cash account corresponding to a securities account that is used in the context of physical delivery of ETD transactions, if it would be impossible or impracticable for the clearing member to maintain such a cash account. In particular, UK-based clearing members could benefit from this exemption as, after Brexit took place, they generally are not able to continue maintaining a Target2 account. If an exemption is granted under this condition, the clearing member will be restricted in respect of ETD transactions with physical delivery to ETD transactions with quarterly expiry only, a monitoring of the clearing member’s positions will be applied, and any physical delivery of ETD transactions of the respective clearing member will be processed via free-of-payment settlement instructions and under application of an additional manual settlement fee.

For avoidance of doubt, Eurex Clearing clears ETD transactions on Eurex Deutschland outside the scope of Eurex Clearing’s DCO license, which applies only to swaps.

2. With respect to the ISA Direct/Basic Clearing Model, currently, if an (insolvency) termination event occurs with respect to a Clearing Agent, the Replacement Period in which a related Basic Clearing Member may choose to continue clearing with a Replacement Clearing Agent, as a Direct Clearing Member or to terminate and close out the relevant transactions currently ends at 1 p.m. (Frankfurt am Main time) on the business day following the (insolvency) termination event (T+1). To grant affected Basic Clearing Members sufficient time in particular to establish a relationship with a Replacement Clearing Agent and thus increase the likelihood of position porting, the proposed amendments extend the Replacement Period for Basic Clearing Members until 1 p.m. (Frankfurt am Main time) on the fifth business day following the (insolvency) termination event (T+5) for those Basic Clearing Members which have established their own account infrastructure (i.e. securities collateral account, cash collateral account and, if applicable, settlement account).

For avoidance of doubt, the proposed amendments apply only to the ISA Direct/Basic Clearing Model, and not the LSOC model offered by Eurex Clearing under its DCO license. In addition, the ISA Direct/Basic Clearing Model is not currently available to U.S. Clearing Members.

Further information regarding the operation, purpose, and effect of the proposed amendments is discussed in the attached Eurex Clearing Circular 107/20, 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 E (Settlement Procedures): The proposed amendments will comply with DCO Core Principle E because the amendments grant an exemption possibility for a clearing member to maintain a cash account corresponding to a securities account that is used in the context of physical delivery of ETD transactions if it would be impossible or impracticable for the clearing member to maintain such a cash account, and Eurex Clearing will continue to comply with this Core Principle.
2. DCO Core Principle G (Default Rules and Procedures): The proposed amendments will comply with DCO Core Principle G because the amendments extend the replacement period in case of an insolvency for one of Eurex Clearing’s clearing models, and all clearing models cleared by Eurex Clearing under its DCO license 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>.

/s/ Eric Seinsheimer

By: Eric Seinsheimer

Title: US CCO, Eurex Clearing AG

Dated: December 8, 2020