

07 Dec 2020  
Eurex Clearing

# Prolongation of OTC IRD Booking Fee discount for Standard Pricing Model B, amendments to the Price List relating to the Admission and Licence Fee Model and to Service Fees

**Eurex Clearing Circular 109/20 Prolongation of OTC IRD Booking Fee discount for Standard Pricing Model B, amendments to the Price List relating to the Admission and Licence Fee Model and to Service Fees**

## 1. Introduction

As part of the annual review of the Price List of Eurex Clearing AG (Price List), Eurex Clearing will introduce the following amendments with effect from **1 January 2021**:

- ◆ A. Prolongation of the current discount of 15 percent on the OTC Interest Rate Derivatives (IRD) Booking Fee for Standard Pricing Model B for Disclosed Clients until 31 December 2021
- ◆ B. Removal of the admission and annual clearing licence fee waiver for the Direct Clearing Licences relating to Repo Transactions
- ◆ C. Service Fees for Eligible Margin Assets in the Form of Cash – changes to the day count convention

## 2. Required action

There is no action required from the Participants.

### 3. Details

#### **A. Prolongation of the current discount of 15 percent on the OTC Interest Rate Derivatives (IRD) Booking Fee for Standard Pricing Model B for Disclosed Clients until 31 December 2021**

Eurex Clearing introduced the OTC IRD Standard Pricing Model B for Disclosed Direct Clients with System Access and Basic Disclosed Clients with Reports (Disclosed Clients) in March 2019 to provide for an alternative fee schedule for clients which prefer clearing fee charges based on initial margin requirements. The new model was initially introduced with a fixed discount of 15 percent on the applicable Booking fee and set to expire on 31 December 2020. With this circular, Eurex Clearing prolongs the fixed discount of 15 percent on the booking fee for Standard Pricing Model B until 31 December 2021. As of 1 January 2022, a volume-depending rebate scheme will come into effect and replace the fixed discount of 15 percent on the booking fee. The details will be announced in 2021.

#### **B. Removal of the admission and annual clearing licence fee waiver for the Direct Clearing Licences relating to Repo Transactions**

Effective 1 January 2021, Eurex Clearing will amend its admission and annual clearing licence fee model by removing the current fee waiver for Direct Clearing Licences relating to the clearing of Repo Transactions. For Basic Clearing Member Licences relating to Repo Transactions, the current fee waiver with respect to the admission and annual clearing licence fees will continue to apply.

To reflect the change, the following provision will be amended as outlined in the Attachment:

- ◆ Number 1 of the Price List

#### **C. Service Fees for Eligible Margin Assets in the Form of Cash – changes to the day count convention**

Currently, Number 9.1 of the Price List stipulates that Eurex Clearing calculates the cash handling fee with the day count convention of act/365 for all eligible currencies based on the value of the Eligible Margin Assets in the form of cash delivered and recorded in the respective internal margin account of the Clearing Member or Basic Clearing Member. Eurex Clearing will change this calculation method to align with the market standard as follows: act/360 for CHF, EUR, and USD; act/365 for GBP.

To reflect the change, the following provision will be amended as outlined in the Attachment:

◆ Number 9.1 of the Price List

Unless the context requires otherwise, terms used and not otherwise defined in this circular shall have the meaning ascribed to them in the Clearing Conditions or FCM Clearing Conditions of Eurex Clearing AG, as applicable.

**Attachment:**

- ◆ Amended sections of the Price List of Eurex Clearing AG

**Further information**

Recipients: All Clearing Members, FCM Clearing Members, Basic Clearing Members, Disclosed Direct Clients, FCM Clients of Eurex Clearing AG and vendors

---

Target groups: Front Office/Trading, Middle + Backoffice, IT/System Administration, Auditing/Security Coordination

---

Contact: [client.services@eurexclearing.com](mailto:client.services@eurexclearing.com)

---

Related circular: Eurex Clearing circular **019/19**

---

Web: [www.eurex.com/ec-en/](http://www.eurex.com/ec-en/)

---

Authorised by: Matthias Graulich

**Further information**

→ [Attachment to Eurex Clearing circular 109/20](#)

A member of

[Eurex Frankfurt](#)   [Eurex Clearing Clearstream](#)   [Eurex Repo Qontigo](#)   [Buy-in Agent](#)   [EEX](#)   [360T](#)   [Xetra](#)   [Börse](#)

[Disclaimer](#)   [Privacy notice](#)   [Imprint](#)   [Rules and Regulations](#)   [Sitemap](#)

[clearing-circular](#)

\*\*\*\*\*

AMENDMENTS ARE MARKED AS FOLLOWS:

INSERTIONS ARE UNDERLINED

DELETIONS ARE CROSSED OUT

\*\*\*\*\*

[...]

**1 Fees for Clearing Licenses**

[...]

- (2) For the granting of ~~Direct Clearing Licenses~~ or Basic Clearing Member Licences which entitle the respective Clearing Member to participate in the clearing of Repo Transactions (Chapter IV Number 1.1 of the Clearing Conditions), Eurex Clearing shall not charge its Clearing Members a single admission fee in accordance with Number 1 Paragraph 1 letter a) above nor an annual fee in accordance with Number 1 Paragraph 1 letter b) above until this clause is revoked in writing.

[...]

[...]

**9 Service Fees for Collaterals, Default Fund Contributions and Funds provided for the Fulfilment of Own Funds or equivalent Regulatory Capital Requirements****9.1 Service Fees for Eligible Margin Assets in the Form of Cash**

- (1) For Eligible Margin Assets in the form of cash delivered ~~as cover~~ to Eurex Clearing AG, a fee will be charged in accordance with the table below:

| <u>Currency of the delivered cash</u>  | <u>CHF</u>     | <u>EUR</u>     | <u>GBP</u>     | <u>USD</u>     |
|--|----------------|----------------|----------------|----------------|
| <u>Applicable service fee (calculated as a percentage of the cash delivered in the respective currency, per annum)</u> | <u>0.30 %</u>  | <u>0.20 %</u>  | <u>0.20 %</u>  | <u>0.50 %</u>  |
| <u>Day count convention applicable for the calculation</u>   | <u>Act/360</u> | <u>Act/360</u> | <u>Act/365</u> | <u>Act/360</u> |

~~— The fee will be charged on the entire Eligible Margin Assets in the form of cash delivered by Clearing Members.~~

~~— The fee for Eligible Margin Assets in the form of cash delivered as cover is determined according to the currency in which the delivery of Eligible Margin Assets in form of cash by the Clearing Member occurs. The respective fee therefore amounts to in case of cash in:~~

~~— CHF: 0.30 % p.a.~~

~~— EUR: 0.20 % p.a.~~

~~— GBP: 0.20 % p.a.~~

~~— USD: 0.50 % p.a.~~

~~— The calculation of the fee will be performed act / 365 based on the value of the Eligible Margin Assets in the form of cash delivered and recorded in the respective internal margin account of the Clearing Member/Basic Clearing Member.~~

[...]

(3) Eurex Clearing AG grants a discount of 50 ~~per cent~~% on the fee with respect to Eligible Margin Assets in the form of cash provided as cover for Eurex Transactions booked on accounts within a DC Transaction Accounts Group or an account within an ISA Transaction Accounts Group relating to a Basic DC or DC with System Access. [...]

[...]

(8) For the avoidance of doubt, the provisions on the payment of interest or charge of negative interest on Eligible Margin Assets in the form of cash delivered to Eurex Clearing AG and the provisions on the reimbursement of expenses arising from the investment of cash actually delivered as Margin (as, in particular, laid out in Chapter I Part 1 Number 3.4.4, 3.4.5 of the Clearing Conditions and Chapter I Number 3.1.3 FCM Regulations) shall remain unaffected by this Number 9.

[...]

\*\*\*\*\*