

clear to trade



eurex clearing circular 133/17

Date: 15 December 2017
Recipients: All Clearing Members of Eurex Clearing AG and Vendors
Authorized by: Heike Eckert

<u>Eurex Bonds transactions: Termination of clearing services, amendments to the Clearing Conditions and to the Price List of Eurex Clearing AG</u>	
Related Eurex Bonds circular: 061/17	
Contact: Your Group Client Key Account Manager Clearing, clearing.services-admission@eurexclearing.com	
Content may be most important for: ☞ All departments	Attachments: Updated sections of the following Rules and Regulations: 1a/b. Clearing Conditions of Eurex Clearing AG 2. Price List of Eurex Clearing AG
Summary: Eurex Bonds GmbH (hereafter: "Eurex Bonds") has announced to terminate its business operations as of 31 December 2017 . For procedural reasons the last trading day will be 15 December 2017. Consequently, Eurex Clearing will terminate the clearing services for the products traded on Eurex Bonds as of 31 December 2017 . In conjunction with the termination of the clearing services for aforementioned products, the following measures of Eurex Clearing will come into effect on 5 February 2018: <ul style="list-style-type: none">• Amendment to the Clearing Conditions of Eurex Clearing AG• Amendment to the Price List of Eurex Clearing AG Attached to this circular are the amended sections of the aforementioned Rules and Regulations, as decided by the Executive Board of Eurex Clearing.	



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Eurex Bonds transactions: Termination of clearing services, amendments to the Clearing Conditions and to the Price List of Eurex Clearing AG

Eurex Bonds GmbH (hereafter: "Eurex Bonds") has announced to terminate its business operations as of 31 December 2017. For procedural reasons the last trading day will be 15 December 2017.

Consequently, Eurex Clearing will terminate the clearing services for the products traded on Eurex Bonds as of 31 December 2017.

In conjunction with the termination of the clearing services, the following measures of Eurex Clearing will come into effect on 5 February 2018:

- Amendment to the Clearing Conditions of Eurex Clearing AG (Clearing Conditions)
- Amendment to the Price List of Eurex Clearing AG (Price List)

Attached to this circular are the amended sections of the aforementioned Rules and Regulations, as decided by the Executive Board of Eurex Clearing.

1. Amendments to the Clearing Conditions

The relevant amendments to the Clearing Conditions are outlined in attachment 1 to this circular.

As of the effective date of the amendments, 5 February 2018, the full version of the amended Clearing Conditions will be available for download on the Eurex Clearing website www.eurexclearing.com under the following link:

[Resources > Rules and Regulations > Clearing Conditions](#)

2. Amendments to the Price List

The relevant amendments to the Price List are outlined in attachment 2 to this circular.

As of the effective date of the amendments, 5 February 2018, the full version of the amended Price List will be available for download on the Eurex Clearing website under the following link:

[Resources > Rules and Regulations > Price list](#)

Pursuant to Chapter I Part 1 Number 17.2.2 and Number 17.2.6 of the Clearing Conditions, the amendments to the Clearing Conditions communicated with this circular are deemed to have been accepted by each Clearing Member, Basic Clearing Member, FCM Clearing Member, Non-Clearing Member and each Registered Customer and FCM Client affected by such amendment unless they object in writing to Eurex Clearing at least fifteen (15) business days prior to the actual effective date of such amendment of the Clearing Conditions.

Pursuant to Number 14 Paragraph 3 of the Price List, the amendments to the Price List as communicated with this circular shall be deemed to have been accepted by the respective Clearing Member unless such Clearing Member's written objection is submitted to Eurex Clearing AG within ten (10) business days after publication.

If you have questions or require further information, please contact your Group Client Key Account Manager Clearing or send an e-mail to: clearing.services-admission@eurexclearing.com.

15 December 2017

Chapter I of the Clearing Conditions of Eurex Clearing AG

General Provisions

As of 05.02.2018

AMENDMENTS ARE MARKED AS FOLLOWS:

INSERTIONS ARE UNDERLINED,

DELETIONS ARE CROSSED OUT.

Clearing Conditions of Eurex Clearing AG

Preamble

Eurex Clearing AG, having its registered office in Frankfurt am Main, acts as central counterparty for (a) (i) transactions in securities and *Wertrechte*, including German book-entry securities (*Gutschriften in Wertpapierrechnung*) and Swiss intermediated securities (*Schweizer Bucheffekten*) (hereinafter together the “**Securities**”) and (ii) futures, options and other derivative transactions, which, in each case, result from either matching orders and quotes of trading participants (the “**Matching**”) on the markets Eurex Deutschland, Eurex Zürich, ~~Eurex Bonds~~, Eurex Repo, Frankfurter Wertpapierbörse and Irish Stock Exchange (hereinafter collectively referred to as “**Markets**” and each a “**Market**”, each Transaction resulting from Matching a “**Market Transaction**”), (b) novations of transactions executed over-the-counter (each transaction resulting from an over-the-counter transaction an “**OTC Transaction**”) or (c) novations of executed over-the-counter securities or cash lending transactions or securities lending transactions executed on Eurex Repo (each transaction resulting from a novation of any such **securities** (or cash) **lending transaction** a “**Securities Lending Transaction**”, and each Market Transaction, OTC Transaction and Securities Lending Transaction, a “**Transaction**”).

Hereinafter (i) the conclusion by Eurex Clearing AG as central counterparty of Transactions of one or more Transaction Types (as defined in Number 1.1.2), (ii) the processing by Eurex Clearing AG of such Transactions in preparation for the fulfilment of all obligations resulting therefrom, and (iii) the related services rendered by Eurex Clearing AG, in each case as set out in Chapters I–IX (the “**Clearing Conditions**”), shall together be referred to as “**Clearing**”.

This Chapter I forms an integral part of the Clearing Conditions and respective references in any other rules or documents to the Clearing Conditions also apply to this Chapter I.

[...]

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Part 1 General Clearing Provisions

1 General Rules

[...]

1.1 Scope of Application

[...]

1.1.2 The Clearing Procedures refer to the following types of Transactions (each a **“Transaction Type”**): Transactions resulting from:

[...]

~~(2) the matching of orders and quotes regarding securities in the trading system of Eurex Bonds GmbH (“**Eurex Bonds**”) pursuant to Chapter III (the resulting Transactions being referred to as “**Eurex Bonds Transactions**”);~~

[...]

[...]

1.2.4 Certain Definitions and Interpretation

In these Clearing Conditions:

(1) **“Business Days”** means

[...]

~~(b) for the Clearing of Eurex Bonds Transactions (Chapter III): the trading days determined by the management board of Eurex Bonds;~~

[...]

1.3.1 Set-off of claims between the Clearing Member or Basic Clearing Member and Eurex Clearing AG

[...]

(1) **Set-off Procedure within Standard Agreements**

[...]

(b) **Set-off of Settlement Claims**

Settlement Claims against a Clearing Member or Basic Clearing Member under a specific Standard Agreement can only be set off by Eurex Clearing AG

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against Settlement Claims of that Clearing Member or Basic Clearing Member arising under that Standard Agreement in accordance with the following:

- (aa) only Settlement Claims arising from the same Transaction Type may be set off; and
- (bb) only Settlement Claims being part of the same Set-Off Cluster (as defined below) may be set off.

Notwithstanding Paragraph (aa) above, Eurex Clearing AG and the Clearing Member may agree in advance to include in a Set-Off Cluster Settlement Claims arising from different Transaction Types in accordance with the following provisions:

- (A) Settlement Claims pursuant to Chapter II and Settlement Claims pursuant to Chapter V Part 2;
- (B) Settlement Claims pursuant to Chapter III and Settlement Claims pursuant to Chapter IV.

[...]

[...]

7.5 Default Management Process

Eurex Clearing AG maintains a default management process to reduce the risks following a default by a Clearing Member or a Basic Clearing Member and the occurrence of in case of a (i) Clearing Member, a Termination Event or Insolvency Termination Event (as defined in Number 7.2.1 and 7.2.2) resulting in a Termination or (ii) a Basic Clearing Member, a Basic Clearing Member Insolvency Termination Event or Basic Clearing Member Termination Event (as defined in Part 6 Number 10.2 and 10.1) resulting in a Basic Clearing Member Termination (as defined in Part 6 Number 10.4), and, in each case, the calculation of one or more Difference Claims, as described in these Clearing Conditions. Eurex Clearing AG establishes default management committees (each a “**DMC**”) for the purpose of advising and assisting the Executive Board of Eurex Clearing AG with respect to the consequences of a Termination or Basic Clearing Member Termination and all other matters specified in the Clearing Conditions, as further set out in this Number 7.5.

Where in this Number 7.5 reference is made to “**Terminated Transactions**”, such reference shall refer to (i) all terminated Transactions of the Affected Clearing Member (as defined in Number 6.2) in accordance with Number 8.4.1 of the Elementary Clearing Model Provisions, Subpart A Number 7.3.1 of the Individual Clearing Model Provisions (excluding Transactions which have been subject to a re-establishment pursuant to Subpart A Number 11 of the Individual Clearing Model Provisions) and Number 8.3.1 of the Net Omnibus Clearing Model Provisions, (ii) if the Affected Clearing Member is an OTC IRS FCM Clearing Member, all terminated Transactions of its OTC IRS FCM Client(s) pursuant to Numbers 8.6 or 9.6 of the U.S. Clearing Model Provisions or (iii)

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following a Basic Clearing Member Termination, all terminated Basic Clearing Member Transactions of the Basic Clearing Member(s) pursuant to Number 10.5 of the Basic Clearing Member Provisions for which the Affected Clearing Member acts as Clearing Agent.

Each Clearing Member shall appoint one of its employees as DMP-coordinator and as DMP-deputy, respectively, as a central contact for Eurex Clearing AG for all general matters relating to the default management process and register these vis-à-vis Eurex Clearing AG.

Each Clearing Member shall provide Eurex Clearing AG with a completed form as published by Eurex Clearing AG on its website www.eurexclearing.com in which the relevant Clearing Member provides an overview on its trading capabilities with respect to all bonds underlying ~~Eurex Bonds Transactions and~~ Eurex Repo Transactions ("**Bonds Trading Sheet**"). Each Clearing Member shall provide Eurex Clearing AG with a new Bonds Trading Sheet whenever any of the determinations made in the Bonds Trading Sheet changes.

[...]

7.5.3 Establishment of Transactions by way of independent trades or by conducting DM Auctions

(1) [...]

- (ii) If it is deemed appropriate by Eurex Clearing AG in consultation with the relevant DMC(s), Eurex Clearing AG may conduct one or more auctions with respect to one or several Liquidation Groups (in whole or in part the "**DM Auctions**" or each a "**DM Auction**") to establish new Transactions specified by Eurex Clearing AG which are – taken as a whole – equivalent to Terminated Transactions of the Affected Clearing Member (or, if the Affected Clearing Member is an OTC IRS FCM Clearing Member, the Terminated Transactions of the relevant OTC IRS FCM Client) or the relevant Basic Clearing Member and/or reciprocal to DM Hedging Transactions (together the "**DM Auction Transactions**" and each a "**DM Auction Transaction**"). With respect to ~~Eurex Bonds Transactions and~~ Eurex Repo Transactions, Eurex Clearing AG may, if it is deemed appropriate by Eurex Clearing AG in consultation with the relevant DMC (s), conduct one or more auctions, to sell the bonds underlying the ~~Eurex Bonds Transactions and~~ Eurex Repo Transactions Transactions and to establish new Transactions being reciprocal to DM Hedging Transactions ("**DM Bonds Auctions**").

[...]

- (5) Special provisions relating to ~~Eurex Bonds Transactions, under which the Affected Clearing Member acted as buyer, and~~ Eurex Repo Transactions, under which the Affected Clearing Member acted as Cash Taker
- (i) With respect to ~~terminated Eurex Bonds Transactions under which the Affected Clearing Member acted as buyer, and~~ with respect to terminated Eurex Repo Transactions under which the Affected Clearing Member acted as Cash Taker, Eurex Clearing AG may conduct DM Bonds Auctions with respect to bonds underlying these Transactions, if Eurex Clearing AG could not sell the relevant bonds via independent trades.
- (ii) The DM Bonds Auctions will generally be conducted separately for all bonds with the same ISIN underlying all terminated ~~Eurex Bonds Transactions and~~ Eurex Repo Transactions within the relevant Liquidation Group and with respect to one or several Bonds Auction Unit(s). In individual cases, Eurex Clearing AG is entitled to combine bonds with different ISINs in the same DM Bonds Auction after consultation of the relevant DMC. **“Bonds Auction Units”** means, with respect to DM Bonds Auctions, one unit or several identically composed units of the relevant bonds underlying the terminated ~~Eurex Bonds Transactions and~~ Eurex Repo Transactions, and the Transactions being reciprocal to DM Hedging Transactions as specified by Eurex Clearing AG after consultation with the relevant DMC.
- (iii) A Bonds Mandatory Participant shall be obliged to participate in DM Bonds Auctions in accordance with the DM Auction Rules.

A Clearing Member qualifies as **“Bonds Mandatory Participant”** with respect to the relevant DM Bonds Auction, if (i) it holds a Clearing License for ~~Eurex Bonds Transactions or~~ Eurex Repo Transactions, (ii) within 3 months prior to the relevant Termination or Basic Clearing Member Termination at least one ~~Eurex Bonds Transaction or~~ Eurex Repo Transaction with an underlying bond which falls under the same Bonds Cluster as the bond auctioned in the relevant DM Bonds Auction (x) has been booked on a respective account, or (y) has been booked as a Basic Clearing Member Transaction of a Basic Clearing Member of such Clearing Member (acting as Clearing Agent) on a respective account, and (iii) with respect to which no Termination Event or Insolvency Termination Event has occurred and is continuing.

A Clearing Member which only entered into GC Pooling Transactions, under which it only acted as Cash Provider, shall only be obliged to participate as Bonds Mandatory Participant in the relevant DM Bonds Auction with respect to bonds for which the relevant Clearing Member determined its trading capacities in the Bonds Trading Sheet.

A Bonds Mandatory Participant is not required to participate in a DM Bonds Auction, if the Clearing Member's chief compliance officer proves to Eurex Clearing AG that a participation in the relevant DM Bonds Auction cannot be reasonably expected for compliance reasons.

Eurex Clearing AG assigns each bond underlying a ~~Eurex Bonds Transaction~~ or a Eurex Repo Transaction to a group of bonds predefined by Eurex Clearing (each a "**Bonds Cluster**").

[...]

(v) [...]

The amount of the Contributions to the Default Fund of the Bonds Mandatory Participant, which shall be realised prior to the Contributions to the Default Fund of the other Non-Affected Clearing Members, shall be calculated as follows: the product of (i) the fraction of (a) the sum of all Credits minus the sum of all Debits and Non-Bidding Debits and (b) the sum of the Additional Margin requirements for all Bonds Auction Units, for which the Bonds Mandatory Participant has submitted a Mandatory Bid and for which the Bonds Mandatory Participant should have submitted a Mandatory Bid, but failed to submit, and (ii) the parts of the Contributions to the Default Fund of the Bonds Mandatory Participant which is allocated to the Liquidation Group comprising ~~the Eurex Bonds Transactions and~~ the Eurex Repo Transactions.

[...]

(6) Special provisions relating to ~~Eurex Bonds Transactions and~~ FWB Transactions, under which the Affected Clearing Member acted as seller, and Eurex Repo Transactions, under which the Affected Clearing Member acted as Cash Provider

(i) With respect to terminated ~~Eurex Bonds Transactions and~~ FWB Transactions under which the Affected Clearing Member acted as seller, and with respect to terminated Eurex Repo Transactions under which the Affected Clearing Member acted as Cash Provider, Eurex Clearing AG shall purchase bonds and securities (as applicable) underlying these Transactions via independent trades.

[...]

(iii) If Eurex Clearing AG is not able to purchase a bond or a security (as applicable) via independent trades, Eurex Clearing AG is entitled to determine a cash settlement regarding such bond or security (as applicable) with respect to one or more other Clearing Member(s), to which the relevant bond or security (as applicable) shall be delivered under a Eurex Bond Transaction, a Eurex Repo Transaction, or a FWB Transaction.

The cash settlement amount is the product of (i) the relevant Maximum Price and (ii) the relevant number of bonds or securities (as applicable) which were not delivered under the relevant ~~Eurex Bonds Transaction~~, Eurex Repo Transaction, or FWB Transaction due to the cash settlement. If there are more than one Clearing Member to which the relevant bond or security (as applicable) shall be delivered under a Eurex Bond Transaction, a Eurex Repo

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Transaction or a FWB Transaction, the relevant cash settlement shall be performed between such Clearing Members on a pro rata basis.

Upon determination of the cash settlement, the claims of the relevant Clearing Member against Eurex Clearing AG for the delivery of the owed bonds or securities (as applicable) expire with debt-discharging effect to the extent equalling the number of bonds or securities (as applicable) owed and not delivered by Eurex Clearing AG to the relevant Clearing Member. Eurex Clearing shall instead pay the cash settlement amount to the relevant Clearing Member or set off such amount with payment claims Eurex Clearing AG may have against the relevant Clearing Member.

[...]

8.1.1 Conditions of a Change of a Clearing Member

By entering into a Clearer Change Agreement and as per the end of the Business Day as specified therein (in this Number 8.1 and the Clearer Change Agreement the “**Change Date**”), the Non-Clearing Member/Registered Customer changes the Current Clearing Member with the New Clearing Member with effect as of the beginning of the Business Day immediately following the Change Date (in this Number 8.1 and the Clearer Change Agreement the “**Transfer Effective Date**”) and the Current Clearing Member transfers to the New Clearing Member all its Transactions with Eurex Clearing AG that are NCM-Related Transactions, RC-Related Transactions or Covered Transactions, as applicable, of the Transactions Types as specified in the Clearer Change Agreement, in each case under their relevant Standard Agreement (in this Number 8.1 “**Respective Transactions**”), as well as the relevant (i) corresponding Transactions, (ii) Corresponding Covered Transactions or (iii) Client Clearing Transactions, as applicable, (in this Number 8.1 “**Respective Corresponding Transactions**”), together with all (i) Redelivery Claims or (ii) Relevant Redelivery Claims that relate to the Eligible Margin Assets specified by the Non-Clearing Member/Registered Customer in a notice to Eurex Clearing AG with a copy to the other parties of the Clearer Change Agreement no later than on the Change Date (in this Number 8.1 “**Respective Redelivery Claims**”). However, all claims resulting from such Respective Transactions or such Respective Corresponding Transactions, respectively, and such Respective Redelivery Claims which, in each case, are due and payable but not satisfied between Eurex Clearing AG and the Current Clearing Member or between the Current Clearing Member and the Non-Clearing Member/Registered Customer, respectively, until and including the Transfer Effective Date, shall be fulfilled under the terms of the relevant Clearing Agreement or, as applicable, the Client Clearing Agreement relating to the Clearing Agreement and shall not be transferred or amended hereunder (together with transactions of the Current Clearing Member with Eurex Clearing AG that are NCM-Related Transactions, RC-Related Transactions or Covered Transactions, respectively, of the Transactions Types (i) ~~Chapter III Transactions at Eurex Bonds GmbH (Eurex Bonds) and (ii) pursuant to Chapter V Part 2 Transactions Concluded at the Frankfurter Wertpapierbörse~~ the “**Excluded Claims**” for the purpose of Number 8.1).

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9 Termination Rules with respect to Eurex Clearing AG

[...]

9.2 By signing the Clearing Agreement, or in the case of Part 3 Subpart A Number 11.1.5, by the Clearing Agreement to be established between the Interim Participant and Eurex Clearing AG, a difference claim of either party to the relevant Standard Agreement between Eurex Clearing AG and the relevant Clearing Member, OTC IRS FCM Client or Basic Clearing Member, as relevant, is created. This difference claim shall become unconditional and immediately due against the respective other party upon the expiry of the primary obligations and delivery obligations, respectively, referred to in Number 9.1, and shall be determined on the basis of the CCP Exchange Prices applicable with respect to the relevant terminated Transactions or Redelivery Claims on the second Business Day following (i) the Failure to Pay Event or (ii) the Insolvency Event ("**CCP Valuation Date**"). Numbers 7.3.1 and 7.3.3 shall apply *mutatis mutandis*.

"**CCP Exchange Price**" means, in case of a Failure to Pay Event or an Insolvency Event with respect to Eurex Clearing AG:

(a) with respect to a Transaction:

[...]

(3) with respect to Transactions described in Chapter III and IV the applicable market price (*Marktpreis*) as of the CCP Valuation Date determined in the Market in which it has been concluded;

[...]

17.2.4 "**Special Provisions**" are

- Numbers 1.5, 6, 7, 9, 16.1, 17.2 and 17.3,
- Subpart C Number 2.1.2 and 3.3 of the Individual Clearing Model Provisions,
- ~~Chapter III Part 2 Number 2.4 Paragraph (1),~~
- Chapter IV Part 2 Number 2.6 Paragraph (1) (b),
- Chapter V Part 2 Number 2.2.1 Paragraph (4),
- Chapter VIII Part 2 Number 2.2.5 Paragraph (7),
- Chapter IX Part 2 Number 2.6.4 Paragraph (4),
- Chapter IX Part 2 Number 2.7.2 Paragraph (2),
- each of the Appendices to the Clearing Conditions to the extent that clauses in such Appendices relate to the granting of powers of attorney, the granting of margin or the creation of security interests,

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- the Procedures Manual to the extent the issues contained therein may have an impact on the risk management of Eurex Clearing AG, the Clearing Members, Non-Clearing-Members, Registered Customers, OTC IRS FCM Clients and Basic Clearing Members,
- the DMC Rules and the DM Auction Rules and
- any newly added provisions relating to the subject matter of these provisions.

Rules or Agreements (except for those set forth in the preceding sentence), which are referred to in these provisions, do not qualify as Special Provisions.

[...]

Part 6 Basic Clearing Member Provisions

[...]

1.3 Basic Clearing Member Transactions may only be Market Transactions (except for Eurex Transactions, ~~Eurex Bonds Transactions~~, FWB Transactions and ISE Transactions) or OTC Interest Rate Derivative Transactions. Market Transactions and OTC Transactions are concluded in accordance with the following provisions:

[...]

[...]

Chapter III to the Clearing Conditions of Eurex Clearing AG will be deleted as of 05.02.2018

~~Chapter III to the Clearing Conditions of Eurex Clearing AG:~~

~~Transactions at Eurex Bonds GmbH~~

~~(Eurex Bonds)~~

~~As of 04.12.2017~~

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Preamble

~~This Chapter III forms an integral part of the Clearing Conditions of Eurex Clearing AG and respective references in other rules or documents to the Clearing Conditions shall also apply to this Chapter III.~~

~~Chapter I together with this Chapter III and all references to other Chapters or Annexes of the Clearing Conditions shall apply for all Clearing Members with a respective Clearing License, their Non-Clearing Members, Registered Customers and IGM Clients as well as all Interim Participants (if applicable).~~

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Chapter III Part 1	

Part 1 — General Provisions

- (1) ~~If and to the extent that the Clearing of Transactions concluded at Eurex Bonds GmbH (Number 2.1) has been agreed upon between Eurex Clearing AG and Eurex Bonds GmbH or other, equivalent regulations have been reached, the provisions set forth in Chapter I shall also apply to the Clearing of Transactions concluded at Eurex Bonds GmbH, to the extent that the following rules do not provide otherwise.~~
- (2) ~~The Clearing Conditions incorporate by reference the Terms and Conditions for Participation and Trading on Eurex Bonds GmbH with respect to the Clearing of Transactions concluded on Eurex Bonds GmbH pursuant to this Chapter III in their German version and as amended from time to time.~~

1.1 — Clearing License

1.1.1 — Granting of Clearing Licenses

~~A Clearing License is required in order to participate in the Clearing of the transactions in debt securities carried out at Eurex Bonds GmbH ("**Eurex Bonds Transactions**"); Eurex Clearing AG shall grant such Clearing License upon written application.~~

1.1.2 — Prerequisites for Clearing Licenses

- (1) ~~With regard to the prerequisites to be fulfilled within the scope of the granting of the Clearing License, Chapter I Part 1 Numbers 2.1.1 to 2.1.3 apply.~~
- (2) ~~The applicant shall meet the following additional requirements:~~
 - (a) ~~Evidence of technical connection to the systems of Eurex Clearing AG, and~~
 - (b) ~~insofar as it intends to use the service of the Gross Delivery Management also optionally offered to the Clearing Members and settlement institutions (Chapter I Part 1 Number 2.1.2 Paragraph (7)) by Eurex Clearing AG in connection with the Clearing of Eurex Bonds Transactions (Chapter I Part 1 Number 1.4.2 Paragraph (2) and Number 1.3.1 Paragraph (1) (b) — (e)) — evidence of a technical and functional connection to the respective interface of the technical systems used by Eurex Clearing AG according to the specifications determined by Eurex Clearing AG.~~

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1.2 ~~Margin Requirement~~

- ~~(1) The following provision shall apply in addition to the relevant basic provisions on margin requirement set out in Chapter I:~~
- ~~(2) The applicable Margin Type shall be the Current Liquidating Margin and the Additional Margin.~~

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Part 2 — Clearing of Transactions at Eurex Bonds GmbH

2.1 — Eurex Bonds Transactions Concerned

- ~~(1) Eurex Clearing AG shall realise the settlement or Clearing of “Eurex Bonds Transactions” to the extent that the underlying securities of the respective Eurex Bonds Transaction are settled by Eurex Clearing AG and the relevant Settlement Location and that the prerequisites pursuant to Paragraph (2) are fulfilled.~~
- ~~(2) Eurex Clearing AG shall determine in consultation with Eurex Bonds GmbH, which Eurex Bonds Transactions or securities underlying these Eurex Bonds Transactions shall be included in the Clearing. Clearing Members will be notified by Eurex Clearing AG via electronic publication on the internet exclusively, available on the internet pages of Eurex Clearing AG (www.eurexclearing.com), as regards those securities transactions that are included in the Clearing.~~

2.2 — General Provisions

- ~~(1) For the clearing of Eurex Bonds Transactions, Chapter I Part 1 Numbers 1.2.5 and 1.4 applies, unless otherwise provided in this Number 2.2.~~
- ~~(2) For the procedure regarding deliveries and payments resulting from Eurex Bonds Transactions, the following applies in addition to Chapter I Part 1 Numbers 1.2.5 and 1.4:~~
- ~~(3) Eurex Clearing AG shall be a contracting party to all deliveries and payments arising out of the settlement of Eurex Bonds Transactions.~~
- ~~(4) Clearing Members must fulfil their delivery and payment obligations in accordance with the instructions of Eurex Clearing AG.~~
- ~~(5) The following shall apply to the procedures for delivery and payment pursuant to Paragraph (1) to (4):~~

~~All physical deliveries and payments shall be concurrently performed between the Clearing Members and Eurex Clearing AG and, accordingly, between Eurex Clearing AG and the Clearing Member which is to receive delivery, on the contractual delivery day.~~

2.3 — Daily Settlement

- ~~(1) For each delivery of securities not yet performed and resulting from Eurex Bonds Transactions, profits and losses will be determined on the Business Day concerned and set off against the collateral provided. For all deliveries not yet performed, the amount of the collateral to be provided shall equal the difference between the price at which the transaction was concluded and the daily settlement price for such Business Day.~~

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~~(2) The daily settlement price shall be determined by Eurex Clearing AG.~~

~~2.4~~ **Failure to Deliver**

- ~~(1) In the event that the Clearing Member obliged to deliver fails to deliver the securities sold by it by way of a Eurex Bonds Transaction on the delivery date according to the instructions of Eurex Clearing AG, Eurex Clearing AG shall be entitled or, on request of the Clearing Member which did not receive delivery in time, obliged to make a replacement purchase with respect to the undelivered securities as from the 5th Business Day following the delivery date and to deliver these to the Clearing Member which did not receive delivery in time or, in the case of a wholly or partially unsuccessful replacement purchase, to perform a cash settlement. The replacement and the cash settlement are performed pursuant to Chapter V Part 2 Number 2.2, the provisions on contractual penalties apply accordingly. Notwithstanding Chapter V Part 2 Number 2.2.1 Paragraph (3) (b) (aa), the cash settlement amount is determined by the highest of (i) the settlement price of the respective class of securities as determined by Eurex Clearing AG, (ii) the selling price and (iii) the purchase price of the relevant Eurex Bonds Transaction plus a premium of 300 basis points and accrued interest.~~
- ~~(2) Measures set forth in Paragraph (1) shall be binding on the Clearing Member which did not receive delivery in time.~~
- ~~(3) The defaulting Clearing Member shall bear the costs arising from measures taken pursuant to Paragraph (1) of this Number.~~
- ~~(4) The right to claim further damages shall be excluded for Eurex Clearing AG as well as for the Clearing Member which did not receive delivery in time.~~

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Part 3 — Transactions regarding Danish Securities with Settlement in the Home Market Denmark (“Homemarket-Transactions”)

Eurex Clearing AG carries out the clearing of all Eurex Bonds Transactions with regard to Danish securities with settlement in the home market Denmark (“**Homemarket-Transactions**”). The following provisions contain special provisions for the settlement respectively clearing of these transactions.

3.1 — General Provisions

3.1.1 — Applicable Regulations

- (1) For the clearing of Homemarket Transactions, the provisions of Part 1 and 2 shall apply unless provided otherwise by Part 3.
- (2) Chapter I Part 1 Number 1.4.2 Paragraph (2) and Number 1.3.1 Paragraph (1) (b) — (e) (Gross Delivery Management) shall not apply for Homemarket Transactions.

3.1.2 — Prerequisites for the participation in Homemarket Transactions

- (1) For the participation in Homemarket Transactions, the applicant of a Clearing License according to Part 1 Number 1.1 shall additionally have to provide evidence that the settlement of the Homemarket Transactions in the home market Denmark is ensured. This implies the evidence about establishment of a securities settlement account with VP Securities A/S, Denmark.
- (2) For the participation in Homemarket Transactions the granting of authorisations according to Chapter I Part 1 Number 2.1.2 Paragraph (5) (e) is not required.

3.2 — Settlement of Homemarket Transactions

3.2.1 — General Obligations

Clearing Members shall fulfil their delivery obligations and payment obligations upon instruction by Eurex Clearing AG. In deviation to what applies in Chapter I Part 1 Number 1.4.2 Paragraph (3), Clearing Members themselves shall give delivery instructions. The Clearing Member is obliged to give the necessary delivery instructions either itself or through the commissioned settlement institution (Chapter I Part 1 Number 2.1.2 Paragraph (7)). Hereby, the deadlines for granting of delivery instructions applicable on the home market Denmark shall be complied with. However, delivery instructions shall be given at the latest on the Business Day preceding the valid delivery date.

~~3.2.2 Corporate Actions~~

~~In case of corporate actions on securities from Homemarket Transactions not yet fulfilled, the regulations pursuant to Chapter V Part 2 Number 2.3 shall apply accordingly.~~

~~3.2.3 Netting Agreement~~

~~(1) Sameday netting always takes place with regard to claims of Eurex Clearing AG and the Clearing Member from Homemarket Transactions. The provisions of Chapter V Part 2 Number 2.5 shall apply accordingly. All claims arisen on the respective trading day which result from the Homemarket Transactions shall be included in the sameday netting.~~

~~(2) The provisions of Chapter V Part 2 Number 2.5.2 to Number 2.5.5 shall apply accordingly to the netting pursuant to Paragraph (1) unless otherwise agreed upon according to Paragraph (3). Chapter V Part 2 Number 2.5.3 shall apply with the proviso that the summarised claims according to Number 3.2.1 shall be fulfilled.~~

~~(3) In deviation to Paragraph (1) in connection with Chapter V Part 2 Number 2.5.2, the Clearing Member may agree with Eurex Clearing AG upon the following netting alternatives, provided that Paragraph (b) only applies to a Standard Agreement under the Elementary Clearing Model Provisions:~~

~~(a) Netting on transaction account level and per single Non-Clearing Member~~

~~— If this netting alternative is chosen, a netting unit shall be defined by the following characteristics of a transaction:~~

- ~~■ allocation to a Clearing Member Own Account or a NOSA Direct Client Account or allocation to an NCM/RC Transaction Accounts Group,~~
- ~~■ chosen settlement institution and~~
- ~~■ chosen settlement account~~

~~— In case of this netting alternative, the receivables resulting from transactions of Non-Clearing Members shall not be netted with the receivables resulting from transactions of other Clearing Member's customers. A netting of receivables resulting from transactions of different Non-Clearing Members of the Clearing Member does not take place.~~

~~(b) Netting on transaction account level~~

~~— In case of this netting alternative, a netting unit shall be defined by the following characteristics of a transaction:~~

- ~~■ allocation to a Clearing Member Own Account or a Client Transaction Account),~~
- ~~■ chosen settlement institution and~~

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■ ~~chosen settlement account~~

~~— In case of this netting alternative, Own Transactions of the Clearing Member and Client-Related Transactions of the Clearing Member are netted separately.~~

~~(4) In deviation to Chapter V Part 2 Number 2.5.3, the Clearing Member may agree with Eurex Clearing AG upon a netting taking place also in the cases mentioned in Chapter V Part 2 Number 2.5.3 Sentence 5, 2nd and 3rd indent.~~

3.2.4 ~~Margin Requirement~~

~~(1) If the Clearing Member agrees with Eurex Clearing AG upon the netting alternative described in Number 3.2.3 Paragraph (3) (a) with respect to Homemarket-Transactions under a Standard Agreement pursuant to the Elementary Clearing Model Provisions, margin requirements relating to Homemarket-Transactions determined for the NCM/RC Own Account and NOSA Indirect Client Accounts relating to the Non-Clearing Member shall, in deviation from Chapter I Part 2 Subpart A Number 4.4.1 be summed up and assigned to the NCM/RC Own Account of the Non-Clearing Member.~~

~~(2) If the Clearing Member agrees with Eurex Clearing AG upon the netting alternative described in Number 3.2.3 Paragraph (3) (b), margin requirements relating to Homemarket-Transactions determined for the NCM/RC Own Account and NOSA Indirect Client Account shall, in deviation from Chapter I Part 2 Subpart A Number 4.4.1, be summed up and assigned to the NOSA Direct Client Account of the Clearing Member.~~

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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 transactions concluded ~~on Eurex Bonds GmbH (Chapter III Number 1.1 of the Clearing Conditions)~~ or on Eurex Repo GmbH (Chapter IV Number 1.1 of the Clearing Conditions), ECAG 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.

[...]

[...]

4. ~~Transaction Fees of Eurex Bonds GmbH~~

~~For transactions pursuant to Chapter I Part 1 Number 5.1 of the Clearing Conditions in connection with transactions on Eurex Bonds GmbH pursuant to Chapter III Number 2.1 of the Clearing Conditions ("Eurex Bonds Transactions"), ECAG shall charge fees for the settlement of transactions and positions as follows:~~

Volume of transactions per month in million: (EUR and USD)	Fee based on the nominal value:
≤ 2,000	————— 0.00050%
> 2,000 ≤ 4,000	————— 0.00025%
> 4,000	————— 0.00002%

~~The fees are calculated separately for every individual transaction currency. The transaction volumes of different transaction currencies are not added together.~~

4.1 ~~Transaction Fees of Transactions regarding Danish Securities with Settlement in the Home Market Denmark (“Homemarket-Transactions”)~~

~~For transactions pursuant to Chapter I Part 1 Number 5.1 of the Clearing Conditions in connection with transactions on Eurex Bonds GmbH pursuant to Chapter III Number 3.1 of the Clearing Conditions (Transactions regarding Danish Securities with Settlement in the Home Market Denmark (“Homemarket-Transactions”)), ECAG shall charge fees for the settlement of transactions and positions as follows:~~

Monthly fee based on the nominal transaction value (DKK)
0.00050%

[...]

8. ~~Service Fees Eurex Deutschland and Eurex Zürich, Eurex Bonds GmbH, Eurex Repo GmbH, Frankfurt Stock Exchange (FWB) and Securities Lending Transactions~~

~~For the utilisation of the services offered by ECAG in connection with the clearing, the regulation and the settlement of Derivatives Transactions with Physical Delivery, of Eurex Bonds GmbH transactions, of Eurex Repo GmbH transactions, transactions on the Frankfurter Wertpapierbörse (FWB) and off-exchange entries in the electronic trading system of FWB and Securities Lending Transactions, the following fees shall be charged:~~

8.1 ~~Special Service Fees Eurex Deutschland and Eurex Zürich~~

8.1.1 ~~Service Fees for Provision of Gross Delivery Management (without Netting Agreement) for Combination Transactions Option-Share~~

[...]

8.3.2 ~~Service Fees for Provision of Data via Online Requests~~

~~The online request of transactions by a Clearing Member within a defined number of requests within one day (exemption limit) is free of charge.~~

~~The exemption limit for free online requests shall comprehensively apply to all transactions regarding physical delivery from all futures positions (Eurex Deutschland and Eurex Zürich), Eurex Bonds GmbH, Eurex Repo GmbH and Frankfurter Wertpapierbörse (FWB) and shall be determined as follows: Exemption limit per Clearing Member and day = 0.5 x number of transactions. If the number of online requests exceeds this exemption limit one day, a fee per online request shall be charged for the number of requests exceeding such exemption limit. The basis for counting the online requests and the fee calculation are the data packages sent upon the request; such data~~

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package may contain up to 12 transactions. For the provision of data packages exceeding the exemption limit, ECAG shall charge the following fees:

Service:	Fees per Data Package	
Provision of data packages on basis of online requests exceeding the defined exemption limit	EUR	0.05

8.3.3 Service Fees for Marking and Recording of Blocked Transactions

According to the specifications for delivery processes of transactions at Eurex Deutschland and Eurex Zürich (Chapter II of the Clearing Conditions), of ~~Eurex Bonds transactions (Chapter III of the Clearing Conditions)~~, of Eurex Repo transactions (Chapter IV of the Clearing Conditions) and of FWB transactions (Chapter V of the Clearing Conditions), ECAG offers its Clearing Members a service to mark blocked transactions in the setoff block after conclusion of the same-day settlement (SDS2) respectively the day-time processing (DTP) of Clearstream Banking AG, Frankfurt, on the day of the settlement contractually provided for or on the day of delivery respectively provided for. Marked transactions shall be marked and separated as "open", i.e. as not fulfilled, in respective reports regarding the relationship between the respective Clearing Members and its customer.

For a marking of blocked transactions in the setoff block and their recording in reports, the following fees shall be charged:

Service:	Fees per Blocked Transaction and per Day after SDS2/DTP of the contractual Settlement Day	
Marking / Recording of Blocked Transactions in the Setoff Block after SDS2/DTP	EUR	0.05

When choosing "deferred cash accounting", the transactions marked in the setoff block shall not be regulated, but also marked and separated as "open", i.e. not fulfilled, in the respective reports regarding the relationship between the respective Clearing Member and ECAG.

For "deferred cash accounting", additional fees of EUR 700 shall be charged per Clearing Member and month.

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Service:	Fee per Report and Month:	
Risk-Based-Margining Reports	EUR	0.00
Raw Data Reports for Clearing Member or Settlement Institution	EUR	0.00
Formatted Reports for Clearing Member or Settlement Institution	EUR	300.00**
Raw Data Reports or Formatted Reports for Non-Clearing-Members*	EUR	300.00***
Securities Lending Reports (Pipe Separated Format)	EUR	0.00
GC Pooling Select Reports for Specific Repo License Holder via Common Report Engine (CRE)	EUR	0.00

* With approval by Clearing Member

** If formatted reports of Clearing Members/Settlement Institutions are required for both transactions at FWB and ~~Eurex Bonds~~ and/or Eurex Repo, only one report provision shall be charged.

*** If both the raw data report and the formatted report are provided at the same time, only one report provision shall be charged.

[...]
