

Eurex Clearing AG
ECAG Rule Certification 031-20
April 7, 2020

1. The text of the proposed amendments to the Clearing Conditions (“**Clearing Conditions**”) of Eurex Clearing AG (“**Eurex Clearing**”) and the FCM Regulations (“**FCM Regulations**”) of Eurex Clearing is appended as Attachment A. Any additions are underlined and any deletions are struck through.
2. The date of intended implementation is May 4, 2020.
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:

1. Eurex Clearing is introducing Advanced Risk Netting Units (“**ARNUs**”), which extends Eurex Clearing’s support for the calculation of the initial margin requirement across several transaction accounts. The ARNU functionality enables customers to benefit from portfolio netting effects for the initial margin calculation, even if transactions are booked to separate transaction accounts for the sake of proper position keeping and accounting. ARNUs neither change the risk model nor the margin model; the calculation is always portfolio based. The usage of ARNUs will be optional and will be available under all EMIR clearing models for transaction accounts of Disclosed Direct Clients and Indirect Clients. Further information on restrictions is available in Attachment A.
2. Eurex Clearing is clarifying the general prerequisites for granting a Clearing Member License or Basic Clearing Member License to entities domiciled outside the EU or Switzerland. No change of the prerequisites is intended when compared to the application of the current prerequisites.
3. To secure the netting possibility between OTC Interest Rate Derivative Transactions that are ISDA-based and OTC Interest Rate Derivative Transactions that are DRV-based, Eurex Clearing is clarifying that any rounding that occurs with respect to a floating rate will be based on uniform

rounding conventions that are based on the 2006 ISDA Definitions. This clarification will not change the rounding logic as currently applied by the systems of Eurex Clearing, as both section 8.1 (a) of the 2006 ISDA Definitions and the Deutsche Rahmenvertrag (“**DRV**”) normally require a rounding to the nearest 1/100.000 of a percentage point.

4. Eurex Clearing is clarifying that, for OTC Interest Rate Derivatives and OTC Cross-Currency Transactions, if the scheduled payment date is not a TARGET Settlement Day, no interest will be payable by the relevant payer for the delay between the scheduled payment date and the actual payment date. This clarification will not change the payment logic as currently applied by the systems of Eurex Clearing.
5. For overnight indexed swaps in EUR referencing to EUR-EuroSTR-COMPOUND, Eurex Clearing is extending the maximum remaining term to 50 years plus 10 business days. Eurex Clearing already accepts OIS with this maximum remaining term, and thus the intention of this amendment is only to properly reflect current processes.
6. The amendments introduced previously with Eurex Clearing Circular 091/18 and 102/18 (which were submitted pursuant to CFTC Rule 40.6) regarding Eurex Transaction transfers will be merged and the respective provisions will be simplified in general.

Further information regarding the operation, purpose, and effect of the proposed amendments is discussed in Eurex Clearing Circular 031-20, 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 C (Participant and Product Eligibility): The proposed amendments will comply with DCO Core Principle C because the amendments clarify prerequisites for certain clearing licenses and clarify the terms for certain products, and Eurex Clearing’s participant and product eligibility criteria will continue to be appropriate, objective, publicly disclosed, and permit fair and open access.
2. DCO Core Principle D (Margin Requirements): The proposed amendments will comply with DCO Core Principle D because the amendments extend Eurex Clearing’s support for the calculation of the initial margin requirement across several transaction accounts, 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/cftc-dco-filing>.

/s/ Eric Seinsheimer _____

By: Eric Seinsheimer

Title: US CCO, Eurex Clearing AG

Dated: April 7, 2020