

Eurex Clearing AG
ECAG Rule Certification 066/16
May 20, 2016

1. The text of the proposed amendments to the Clearing Conditions of Eurex Clearing AG (“Clearing Conditions”) is appended as Attachment A. Any additions are underlined and any deletions are struck through.
2. The date of intended implementation is June 15, 2016.
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) no later than within one business day of this submission, Eurex Clearing will post 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 amending the Clearing Conditions to reflect changes to its capital structure to further strengthen its default waterfall:

1. Eurex Clearing is amending the Clearing Conditions to further strengthen its default waterfall by providing that Eurex Clearing will increase its own contribution to the Clearing Fund (“Dedicated Amount”) by EUR 50 million as of the above effective date and plans to increase its Dedicated Amount by an additional EUR 50 million in 2017 to a total of EUR 150 million. Under Eurex Clearing’s default waterfall, only if the defaulting Clearing Member’s margin collateral and own contributions to the Clearing Fund were insufficient to cover all losses would the Dedicated Amount be applied. The Dedicated Amount would be applied prior to utilizing any non-defaulting Clearing Members’ resources.
2. As discussed under 1, under Eurex Clearing’s default waterfall, only if the financial resources of the defaulting Clearing Member and the Dedicated Amount were insufficient to cover all losses, would Eurex Clearing also use non-defaulting Clearing Members’ contributions to the Clearing Fund. Were non-defaulting Clearing Members’ contributions to the Clearing Fund to be also insufficient to cover all losses, non-defaulting Clearing Members would be required to provide

additional contributions to the Clearing Fund (“Assessments”). If Assessments were to be exhausted, further losses would be covered by the remaining equity capital of Eurex Clearing. Eurex Clearing is amending the Clearing Conditions to provide that it will allocate further own funds to the Clearing Fund (“Further Dedicated Amount”) in an amount up to EUR 300 million to be used in the event Assessments were required in a default scenario. Specifically, the Further Dedicated Amount would be allocated on a pro rata basis with respect to the value of the Assessments actually delivered by Eurex Clearing by the non-defaulting Clearing Members. In addition, Deutsche Börse AG, the parent company of Eurex Clearing, which had issued a letter of comfort providing that it would provide Eurex Clearing with up to EUR 700 million to cover remaining losses, will be amending this letter effective on the above date to reduce this maximum amount to EUR 600 million due to the increase in Eurex Clearing’s Dedicated Amount.

3. Eurex Clearing is amending its Clearing Conditions to introduce a compensation claim of Eurex Clearing against its Clearing Members with respect to certain non-default financial losses. The amendments provide that if losses arise from currencies for which Eurex Clearing does not maintain an account with a central bank, these losses would be borne by Eurex Clearing and those Clearing Members that delivered Eligible Margin Assets in those currencies, on a pro rata basis.

Further information regarding the operation, purpose, and effect of the proposed amendments is discussed in the attached draft Eurex Clearing Circular 066/16, which is appended as Attachment A.

Eurex Clearing has identified the following derivatives clearing organization (“DCO”) Core Principle as potentially being relevant to the above amendments:

1. DCO Core Principle G (Default Rules and Procedures): The amendments will comply with DCO Core Principle G because the amendments further strengthen Eurex Clearing’s default waterfall by increasing Eurex Clearing’s Dedicated Amount and Eurex Clearing’s Further Dedicated Amount. The Clearing Conditions will continue to clearly state the default procedures, are publicly available, and ensure that Eurex Clearing may take timely action to contain losses and liquidity pressures and to continue meeting each obligation of Eurex Clearing.
2. DCO Core Principle D (Risk Management): The amendments will comply with Core Principle D because the clarification of liabilities between Eurex Clearing and its Clearing Members with respect to certain financial losses because the margin received from Clearing Members will not change and will continue to be sufficient.

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) no later than within one business day of this submission, Eurex Clearing will post 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: May 20, 2016