

Chapter VIII of the Clearing Conditions of Eurex Clearing AG

Clearing of OTC Interest Rate Derivative Transactions, ~~OTC FX Transactions,~~ ~~OTC XCCY Transactions~~ and OTC NDF Transactions

As of 27.06.2022

AMENDMENTS ARE MARKED AS FOLLOWS:

INSERTIONS ARE UNDERLINED,

DELETIONS ARE CROSSED OUT.

[...]

Part 1 General Provisions

- (1) Eurex Clearing AG offers the Clearing and settlement of interest and currency related products traded over-the-counter which are **OTC Interest Rate Derivative Transactions**, (as defined in Part 2 Number 2.1.1), OTC FX Transactions (as defined in Part 3 Number 3.1.1), OTC XCCY Transactions (as defined in Part 4 Number 4.1.1 and together with the OTC FX Transactions, the "**OTC Currency Transactions**") and OTC NDF Transactions (as defined in Part 5 Number 5.1.1), provided that such OTC Interest Rate Derivative Transactions, OTC Currency Transactions and OTC NDF Transactions meet the applicable novation criteria.
- (2) In addition to the offering of the Clearing of OTC Interest Rate Derivative Transactions, ~~OTC Currency Transactions~~ and OTC NDF Transactions under this Chapter VIII, Eurex Clearing AG offers the clearing of Interest Rate Derivative Transactions (as defined in Chapter I Number 1.1.5 of the FCM Regulations (as defined in Chapter I Part 1 Number 6)) to FCM Clearing Members (as defined in Chapter I Part 1 Number 6). If an Original OTC Transaction (as defined in Chapter I Part 1 Number 1.2.2) that is an interest rate derivative transaction or an Original Swap Transaction (as defined in Chapter I Number 1.3.3 of the FCM Regulations), in each case concluded between a Clearing Member (or, as relevant, a Basic Clearing Member or a DC With System Access/Basic DC) and an FCM Clearing Member or an FCM Client (as defined in Chapter I Number 1.1.9 of the FCM Regulations) is accepted for inclusion into the clearing procedures of Eurex Clearing AG, an OTC Interest Rate Derivative Transaction between Eurex Clearing AG and the relevant Clearing Member in accordance with the Clearing Conditions (and subject to this Part 1 and Part 2) and an Interest Rate Derivative Transaction with corresponding terms between Eurex Clearing AG and an FCM Clearing Member (subject to and in accordance with the FCM Clearing Conditions) will be created at the same time by way of novation.
- (3) In addition to this Chapter VIII,

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- (i) the provisions of Chapter I, including in particular the Elementary Clearing Model Provisions, the ISA Provisions and the Basic Clearing Member Provisions shall apply to the Clearing of OTC Interest Rate Derivative Transactions, and
- ~~(ii) the provisions of Chapter I, including in particular the Elementary Clearing Model Provisions, and the ISA Provisions (but excluding Subpart D of the Elementary Clearing Model Provisions, Number 14 of the ISA Provisions and the Basic Clearing Member Provisions) shall apply to the Clearing of OTC Currency Transactions and~~
- (iii) the provisions of Chapter I, including in particular the Elementary Clearing Model Provisions and the ISA Provisions (but excluding the Basic Clearing Member Provisions), shall apply to the Clearing of OTC NDF Transactions, unless – in case of (i) or (ii) ~~(iii)~~ – otherwise provided hereinafter.

[...]

1.1 Clearing License

1.1.1 Granting of the Clearing License

In order to participate in the Clearing of (i) OTC Interest Rate Derivative Transactions, ~~(ii) OTC FX Transactions, (iii) OTC XCCY Transactions and (iv) OTC NDF Transactions,~~ a clearing license for each relevant Transaction Type (as defined in Chapter I Part 1 Number 1.1.2) is required (each an **“OTC Clearing License”**). The OTC Clearing License may be granted by Eurex Clearing AG upon written application. Each OTC Clearing License may be restricted to certain product groups within the scope of a Transaction Type if this is provided for in respect of such OTC Clearing License. Notwithstanding Chapter I Part 1 Number 2.1.1 (4),

- (A) an Interest Rate Derivatives Clearing License ~~(as defined in Part 2 Number 2.1.3),~~ as regulated in more detail in the respective Clearing Agreement, will be exclusively issued as a

[...]

- (B) an OTC Currency Products Clearing License ~~(as defined in Part 3 Number 3.1.3),~~ as regulated in more detail in the respective Clearing Agreement, will be exclusively issued as a

- (i) General Clearing License which entitles its holder to clear Own Transactions, and Client-Related Transactions (except for ECM CASS Transactions ~~(as defined in Chapter I Part 2 Subpart D Number 2)~~ or ISA CASS Transactions ~~(as defined in Chapter I Part 4 Number 14)~~); or
- (ii) Direct Clearing License which entitles its holder to clear Own Transactions only.

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1.1.2 Prerequisites of the Clearing License

The prerequisites for the granting of (i) an Interest Rate Derivatives Clearing License are set out in Part 2 and (ii) an OTC Currency Products Clearing License are set out in Part 53 (in conjunction with Part 4 and Part 5).

[...]

1.2 Conclusion of Transactions

OTC Interest Rate Derivative Transactions, ~~OTC Currency Transactions~~ and OTC NDF Transactions pursuant to this Chapter VIII are concluded by way of novation. The following provisions apply to the novation of an Original OTC Transaction if at least one counterparty of such Original OTC Transaction is a Clearing Member, Basic Clearing Member or a party having designated a Clearing Member for purposes of the Clearing. If an FCM Clearing Member or an FCM Client of an FCM Clearing Member acts as the counterparty of an Original OTC Transaction, for purposes of this Chapter VIII, the term "Original OTC Transaction" means, when used in relation to such FCM Clearing Member, an Original Swap Transaction as defined in Chapter I Number 1.1.1 of the FCM Regulations, and a Swap Transaction (as defined in Chapter I Part 1 Number 6) means either an FCM Own Transaction or an FCM Client Transaction (as defined in Chapter I Number 1.3.2 (2) of the FCM Regulations). The provisions of this Number 1.2 also apply in connection with certain post-trade events, as further specified in Number 1.2.6.

1.2.1 Novation of Original OTC Transactions

- (1) For the purposes of including Original OTC Interest Rate Derivative Transactions, ~~Original OTC FX Transactions, Original OTC XCCY Transactions~~ and/or Original OTC NDF Transactions into the Clearing by Eurex Clearing AG, the trade record of the relevant Original OTC Transaction has to be transmitted to Eurex Clearing AG via an ATS.
- (2) [...]
 - (a) (x) with respect to an OTC Interest Rate Derivative Transaction, the parties to the related Original OTC Transaction are Clearing Members or Basic Clearing Members, each holding the relevant Interest Rate Derivatives Clearing License or an FCM Clearing Member holding an FCM IRS License or (y) with respect to an ~~OTC FX Transaction, an OTC XCCY Transaction~~ or an OTC NDF Transaction, the parties to the related Original OTC Transaction are Clearing Members, each holding the relevant OTC Currency Products Clearing License; or
 - (b) with respect to (x) an OTC Interest Rate Derivative Transaction, only if any party to the Original OTC Transaction is neither a Clearing Member nor a Basic Clearing Member, in each case holding the relevant Interest Rate Derivatives Clearing License, neither an FCM Clearing Member holding an FCM IRS License nor an FCM Client, and (y) an ~~OTC FX Transaction, an OTC XCCY Transaction~~ or an OTC NDF Transaction, only if any party to the related Original OTC Transaction is not a Clearing Member holding the relevant OTC Currency

Products Clearing License; according to such Trade Record, a Clearing Member holding the relevant Interest Rate Derivatives Clearing License or the relevant OTC Currency Products Clearing License, respectively, has been designated as a Clearing Member for such party with respect to the relevant Original OTC Transaction, and

[...]

(c) [...]

CCP Transactions will be concluded

[...]

in each case as further specified with respect to OTC Interest Rate Derivative Transactions in Part 2, ~~with respect to OTC FX Transactions in Part 3, with respect to OTC XCCY Transactions in Part 4~~ and with respect to OTC NDF Transactions in Part 5.

[...]

[...]

(4) Under the CCP Transactions created upon novation, the relevant Clearing Member or, if applicable, the relevant Basic Clearing Member has, in economic terms, the same economic role (e.g. as floating rate payer or as fixed rate payer, respectively) as such Clearing Member or Basic Clearing Member (in case of Own Transactions), or the relevant DC With System Access/Basic DC (in case of DC-Related Transactions) or Undisclosed Direct Client (in case of UDC-Related Transactions) of the Clearing Member had under the Original OTC Transaction (in the case of STM Interest Rate Derivative Transactions, subject to the amendments pursuant to Part 2 Number 2.1.4 (3), ~~in the case of STM FX Transactions, subject to the amendments pursuant to Part 3 Number 3.1.4 (3), in the case of STM XCCY Transactions, subject to the amendments pursuant to Part 4 Number 4.1.4 (3)~~) and, in the case of STM NDF Transactions, subject to the amendments pursuant to Part 5 Number 5.1.4 Paragraph (3).

[...]

(7) For the purposes of this Chapter VIII,

(a) [...]

(b) **“CCP Transaction”** means any OTC Interest Rate Derivative Transaction, ~~OTC FX Transaction, OTC XCCY Transaction or OTC NDF Transaction~~ (i) between Eurex Clearing AG and the relevant Clearing Member created pursuant to Chapter I Part 1 Number 1.2.2 (2) or (ii) between Eurex Clearing AG and the relevant Basic Clearing Member created pursuant to Chapter I Part 6 Number 1.3 (2).

[...]

(h) **"STM Transaction"** means any STM Interest Rate Derivative Transaction, ~~STM FX Transaction, STM XCCY Transaction and STM NDF Transaction.~~

[...]

~~(j) **"STM FX Transaction"** means an STM Eligible FX Transaction in respect of which an FX STM Election has been made.~~

~~(k) **"STM XCCY Transaction"** means an STM Eligible XCCY Transaction in respect of which an XCCY STM Election has been made.~~

~~(l) **"STM NDF Transaction"** means an STM Eligible NDF Transaction in respect of which an NDF STM Election has been made.~~

~~(kmm) **"Settled-to-Market"** means that the outstanding exposure of (i) an STM Interest Rate Derivative Transaction is settled pursuant to Part 2 Number 2.2.1 (5) or, (ii) an STM FX Transaction is settled pursuant to Part 3 Number 3.2.1 (4), (iii) an STM XCCY Transaction is settled pursuant to Part 4 Number 4.2.1 (5) or (iv) an STM NDF Transaction is settled pursuant to Part 5 Number 5.2.1 (3), as applicable.~~

[...]

1.2.3 Novation Criteria

(1) Eurex Clearing AG will accept an Original OTC Transaction for inclusion in the Clearing in accordance with the novation process if all of the following novation criteria are fulfilled:

[...]

[...]

3. (i) The Trade Record is transmitted to Eurex Clearing AG in a format which allows Eurex Clearing AG to import the relevant data in its system, as communicated by Eurex Clearing AG to Clearing Members or Basic Clearing Members that hold an OTC Clearing License and (ii) no information required with respect to the terms of the relevant OTC Interest Rate Derivative Transaction, ~~OTC FX Transaction, OTC XCCY Transaction or OTC NDF Transaction as set out in Part 2, Part 3, Part 4 or Part 5, respectively,~~ is missing;

[...]

8. The Clearing Member(s) and, if applicable, the Basic Clearing Member(s) that shall be a party to the OTC Transaction resulting from the novation of the Original OTC Transaction and, if applicable, the FCM Clearing Member(s) that shall be a party to the Swap Transaction resulting from the novation of the relevant Original OTC Transaction must have delivered Eligible Margin Assets (with respect to an FCM Clearing Member, as defined in the FCM Regulations) to Eurex Clearing AG, in the case of OTC Interest Rate Derivative Transactions,

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as required pursuant to Chapter I Part 1 Number 3, the Elementary Clearing Model Provisions, the ISA Provisions, the Basic Clearing Member Provisions, and, in the case of Interest Rate Derivative Transactions (as defined in the FCM Regulations), as required pursuant to relevant provisions in the FCM Regulations, and, in the case of ~~OTC FX Transactions, OTC XCCY Transactions and~~ OTC NDF Transactions, as required pursuant to Chapter I Part 1 Number 3, the Elementary Clearing Model Provisions and the ISA Provisions, in each case to cover the calculated risks resulting from all Transactions (or, in respect of an FCM Clearing Member, the Swap Transaction) and the CCP Transaction to be created;

9. The Clearing Member or the Basic Clearing Member, as applicable, must have complied with the scheduled intraday margin calls as further set out below and if applicable:
 - (a) If Eurex Clearing AG determines that the aggregate value of the Eligible Margin Assets actually delivered to Eurex Clearing AG by the Clearing Member or the Basic Clearing Member, as relevant, is insufficient to provide the cover required in order to fulfil the margin requirements (as set forth in Part 2 Number 2.1.7, ~~Part 3 Number 3.1.7, Part 4 Number 4.1.7~~ and Part 5 Number 5.1.7, as applicable) also taking into account all CCP Transactions arising pursuant to Part 2 Numbers 2.5, 2.6 and 2.7, ~~Part 3 Numbers 3.7 and 3.8, Part 4 Numbers 4.8 and 4.9~~ and Part 5 Numbers 5.3 and 5.4 (any such shortfall of Eligible Margin Assets, the “**Shortfall Margin Requirement**”), Eurex Clearing AG will require the Clearing Member or the Basic Clearing Member, as the case may be, to provide additional Eligible Margin Assets intra-day in an amount up to the Shortfall Margin Requirement (such amount, the “**Shortfall Margin Amount**”) in accordance with the following provisions.
 - (b) Eurex Clearing AG shall notify the Clearing Member or Basic Clearing Member, as applicable, of (A) the Transactions arising pursuant to Part 2 Numbers 2.5, 2.6 and 2.7, ~~Part 3 Numbers 3.7, Part 4 Numbers 4.8 and 4.9~~ and Part 5 Numbers 5.3 and 5.4 to be covered by the Shortfall Margin Requirement as well as (B) the Shortfall Margin Amount in both the relevant Preliminary OTC Margin Call Report and OTC Margin Call Report.

A “**Preliminary OTC Margin Call Report**” means a preliminary report produced by Eurex Clearing AG and made available at 12:00 noon, 2 p.m. and 6 p.m. (each Frankfurt am Main time) that specifies the CCP Transactions arising pursuant to Part 2 Numbers 2.5, 2.6 and 2.7, ~~Part 3 Numbers 3.7 and 3.8, Part 4 Numbers 4.8 and 4.9~~ and Part 5 Numbers 5.3 and 5.4 as well as the Shortfall Margin Amount as calculated by Eurex Clearing AG as per the time when the relevant Preliminary OTC Margin Call Report is made available (the “**Preliminary Shortfall Margin Amount**”).

An “**OTC Margin Call Report**” means a report produced by Eurex Clearing AG and made available at 1 p.m., 3 p.m., 7 p.m., and 10:30 p.m.

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(each Frankfurt am Main time) that specifies (i) the CCP Transactions arising pursuant to Part 2 Numbers 2.5, 2.6 and 2.7, ~~Part 3 Numbers 3.7 and 3.8, Part 4 Numbers 4.8 and 4.9 and Part 5 Numbers 5.3 and 5.4~~ and (ii) the Final Shortfall Margin Amount.

[...]

(c) Eurex Clearing AG will debit the Final Shortfall Margin Amount set forth in an OTC Margin Call Report in the agreed Clearing Currency from the relevant ~~Currency Products~~ Clearing Member Cash Account of the Clearing Member (as defined in Part 3 Number 3.1.3 (4)), relevant Basic Clearing Member Cash Account or relevant OTC IRS U.S. Clearing Member Cash Account, as relevant, in accordance with the daily cash clearing procedure pursuant to Chapter I Part 1 Number 1.4.1. If such Clearing Currency can no longer be settled, Eurex Clearing AG shall convert the Final Shortfall Margin Amount in USD at the exchange rate determined by Eurex Clearing AG (as mentioned in the relevant Preliminary OTC Margin Call Report or OTC Margin Call Report).

(d) The payment made by direct debit of the Final Shortfall Margin Amount determined in the OTC Margin Call Report produced and made available by Eurex Clearing AG at 1 p.m., 3 p.m. and 7 p.m. (each Frankfurt am Main time) shall constitute cover in respect of the Margin to which the margin requirement pursuant to Part 2 Number 2.1.7, ~~Part 3 Number 3.1.7, Part 4 Number 4.1.7 or Part 5 Number 5.1.7~~, as applicable, relates and accordingly will constitute (i) Proprietary Margin or Omnibus Margin delivered by the Clearing Member pursuant to the Elementary Clearing Model Provisions, (ii) Margin delivered by the Clearing Member pursuant to the ISA Provisions or (iii) Basic Clearing Member Margin delivered by the Basic Clearing Member pursuant to the Basic Clearing Member Provisions, if applicable. The payment made by direct debit of the Final Shortfall Margin Amount determined in the OTC Margin Call Report produced and made available by Eurex Clearing AG at 10:30 p.m. (Frankfurt am Main time) shall be treated accordingly and shall constitute cover either in respect of (i) the Proprietary Margin or Omnibus Margin delivered by the Clearing Member pursuant to the Elementary Clearing Model Provisions, (ii) Margin delivered by the Clearing Member pursuant to the ISA Provisions or (iii) the Basic Clearing Member Margin delivered by the Basic Clearing Member pursuant to the Basic Clearing Member Provisions, if applicable.

[...]

10. ~~If such Original OTC Transaction is transmitted to the system of Eurex Clearing AG in order to be novated into an OTC Currency Transaction, then the transaction will only be accepted for the inclusion in the Clearing if the pay-in cash flows and the pay-out cash flows in a relevant currency of such transaction do not result in or contribute to a breach of certain thresholds on the two following business days as set out below:~~

- (a) ~~The novation of such Original OTC Transaction (if several Original OTC Transactions shall be subject to a novation, the novation shall occur in the chronological order in which they are transmitted to Eurex Clearing AG) and the resulting payment obligations to be settled (including payment obligations with respect to trade related fees and Variation Margin (calculated on the basis of Forecasted Variation Margin only), but excluding payment obligations with respect to Margin, Settlement Compensation Margin, FX PAI and XCCY PAI) must not result in or contribute to a requirement of the Clearing Member to pay a Prefunding Amount in accordance with Part 3 Number 3.2.1 (2) on the two Business Days for the relevant Currency Pair (as set out in Part 3 Number 3.1.5.1 (4)) immediately following the date of the novation—assuming, for the purposes of this lit. (a) only, that Part 3 Number 3.2.1 (2) applied and any of these two Business Days were a relevant Settlement Day for the purposes of determining a Prefunding Amount in accordance with Part 3 Number 3.2.1 (2); and~~
- (b) ~~The novation of such Original OTC Transaction must not result in or contribute to (A) the CM USD Pay Out Total Settlement Amount EX exceeding the USD Pay Out Limit, (B) the CM USD Pay Out Total Settlement Amount CUM exceeding the FX Swap Line Maximum Amount for USD or (C) the CM GBP Pay Out Total Settlement Amount exceeding the GBP Pay Out Limit pursuant to Part 3 Number 3.3, in each case on any of the two Relevant Currency Pair Business Days immediately following the date of the novation,~~
- (x) ~~assuming, for the purposes of this lit. (b) only, that Part 3 Number 3.3 applied and any of these two Relevant Currency Pair Business Days were a relevant Settlement Day for the purposes of making the calculations in accordance with Part 3 Number 3.3; and~~
- (y) ~~provided that, for the purposes of this lit. (b) only, references in the defined terms used in Part 3 Number 3.3 to “Market Movement NPV Change Amount” shall be read as references to “Stressed NPV Change Amounts” and, for the purpose of determining the TAG CM USD Pay Out Verification Total Settlement Amount CUM, the Stressed NPV Change Amount shall be taken into account instead of the Market Movement NPV Change Amount.~~

— **“Stressed NPV Change Amount”** means any Stressed VM Amount and Stressed STM Amount.

— **“Stressed VM Amount”** means an amount in USD determined by Eurex Clearing AG at its reasonable discretion (*billiges Ermessen*) in accordance with the general margin framework of Eurex Clearing AG and equal to the market risk component of the Initial Margin (as defined in Chapter I Part 1 Number 3.1.8) with respect to each Transaction Accounts Group or ISA Transaction Accounts Group of a Clearing Member to which CTM Currency Transactions of such Clearing Member relate, reflecting the theoretical Variation Margin magnitude in such CTM Currency Transactions in case of a large market move within a one-business-day time window.

~~“**Stressed STM Amount**” means an amount in USD determined by Eurex Clearing AG at its reasonable discretion (*billiges Ermessen*) in accordance with the general margin framework of Eurex Clearing AG and equal to the market risk component of the Initial Margin (as defined in Chapter I Part 1 Number 3.1.8) with respect to each Transaction Accounts Group or ISA Transaction Accounts Group of a Clearing Member to which STM Currency Transactions of such Clearing Member relate, reflecting the theoretical Currency STM Amounts magnitude in such STM Currency Transactions in case of a large market move within a one-business-day time window.~~

~~104.~~ If it is specified in a form satisfactory to Eurex Clearing AG in the Trade Record of an Original OTC Transaction that the Original OTC Transaction shall be understood as a transaction to allocate a prior bunched order CCP Transaction and this Original OTC Transaction is not submitted to Eurex Clearing AG by the ATS that has also submitted the Original OTC Transaction that formed the basis for the bunched order CCP Transaction, the corresponding bunched order CCP Transaction must already exist and the notional value of the bunched order CCP Transaction must be greater or equal to the notional value of such allocating Original OTC Transaction; and

~~112.~~ All applicable additional novation criteria set forth in Part 2, ~~Part 3, Part 4 and~~ Part 5 (as applicable) (and, if one of the transactions that shall result from the novation of the Original OTC Transaction is a Swap Transaction, the applicable novation criteria pursuant to the FCM Regulations) are fulfilled.

- (2) If a novation criterion is not fulfilled but the relevant OTC Trade Novation Report has nevertheless been made available via the system of Eurex Clearing AG and, accordingly, novation is effective, Eurex Clearing AG is entitled to terminate the CCP Transactions by notifying
- (a) the relevant Clearing Member(s) and the relevant Basic Clearing Member(s) in writing (including by fax or e-mail) provided that the CCP Transaction(s) created upon novation of the Original OTC Transaction were not subject to
 - (i) any netting or accumulation pursuant to Part 2 Number 2.6, ~~Part 3 Number 3.7, Part 4 Number 4.8 or Part 5 Number 5.3, or~~
 - (ii) a transfer pursuant to Part 2 Number 2.7, ~~Part 3 Number 3.8, Part 4 Number 4.9 or Part 5 Number 5.4, or~~
 - (iii) a trade amendment pursuant to Part 2 Number 2.7, ~~Part 3 Number 3.8, Part 4 Number 4.9 or Part 5 Number 5.4 and,~~
 - (b) if a Swap Transaction was created upon novation of the Original OTC Transaction, the relevant FCM Clearing Member(s), provided that such Swap Transaction was not subject to any netting, accumulation, transfer or trade amendment pursuant to the FCM Regulations.

[...]

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1.2.4 Special Provisions with respect to the Conclusion of CCP Transactions

- (1) If (A) in the case of OTC Interest Rate Derivative Transactions, the Clearing Member or, if applicable, the Basic Clearing Member holds an Interest Rate Derivatives Clearing License or (B) in the case of ~~OTC Currency Transactions~~ or OTC NDF Transactions, the Clearing Member holds an OTC Currency Products Clearing License, the Clearing Member or, if applicable, the Basic Clearing Member (i) authorises Eurex Clearing AG to capture and maintain records vis-à-vis the respective ATS, and (ii) confirms that it has appointed the relevant ATS to receive trade communications and generate and send trade communications to Eurex Clearing AG for the Clearing Member or, if applicable, the Basic Clearing Member. Eurex Clearing AG may rely on such trade communications.

[...]

- (4) The Clearing Member and the Basic Clearing Member acknowledge that Eurex Clearing AG does not assume any liability vis-à-vis them
- (i) in respect of inaccuracies in the Trade Record submitted to Eurex Clearing AG, ~~€~~
- (ii) if the Trade Record has not been initiated by the DC With System Access/Basic DC, ~~€~~

[...]

1.2.5 Daily Novation Process

[...]

- (3) As a result of the novation process, all Original OTC Transactions which fulfil all novation criteria will be accepted for Clearing and all Original OTC Transactions which do not fulfil all novation criteria, including the requirement to provide sufficient Eligible Margin Assets in time according to Part 1 Number 1.2.3 (1) ~~Clause Paragraph 8~~ will be rejected.

[...]

- (6) A Clearing Member, a DC With System Access or a Basic Clearing Member may subsequently cancel the submission with respect to any CCP Transaction intended to be transferred pursuant to Part 2 Number 2.7, ~~Part 3 Number 3.8, Part 4 Number 4.9 or Part 5 Number 5.4~~ or to be terminated pursuant to Part 2 Number 2.8, ~~Part 3 Number 3.9, Part 4 Number 4.10 or Part 5 Number 5.5~~, provided that (i) the cancellation request is entered by the Clearing Member, the DC With System Access or the Basic Clearing Member into the system of, and received by, Eurex Clearing AG, and (ii) each of the responsible Clearing Member, in case the request is entered by a DC With System Access and the other Clearing Member, Basic Clearing Member or FCM Clearing Member that is involved in such transfer or termination has given its prior consent in the system of Eurex Clearing AG to such cancellation.

1.2.6 Specific Provisions with respect to the Novation of CCP Transactions resulting out of Post-Trade Events

- (1) Number 1.2 shall apply *mutatis mutandis* to the novation in connection with post-trade events pursuant to Part 2 Number 2.6 ~~to~~ 2.8 (in addition to the respective requirements set out therein) ~~, pursuant to Part 3 Number 3.7 — 3.9 (in addition to the respective requirements set out therein), pursuant to Part 4 Number 4.8 — 4.10 (in addition to the respective requirements set out therein)~~ or pursuant to Part 5 Number 5.3 ~~to~~ 5.5 (in addition to the respective requirements set out therein), in each case (i) if a CCP Transaction shall be subject to such novation or shall result from such novation and (ii) unless explicitly stated otherwise.
- (2) If a post-trade event pursuant to Part 2 Number 2.6 or 2.7 ~~, Part 3 Number 3.7 or 3.8, Part 4 Number 4.8 or 4.9 or Part 5 Number 5.3 or 5.4~~ would lead to a novation resulting in a CCP Transaction, and all novation criteria are fulfilled except for the requirement to provide sufficient Eligible Margin Assets, the submission for novation will be pending and will remain included in the daily novation process until the end of the relevant Business Day, provided that if, prior to the end of such Business Day, further Eligible Margin Assets are provided, novations reflecting such Eligible Margin Assets will occur and at the time and in the order determined by Eurex Clearing AG's systems. At the end of each Business Day, all submissions for novations that are still pending and do not fulfil all novation criteria, including the requirement to provide sufficient Eligible Margin Assets, will be rejected. For the avoidance of doubt, this shall mean that the relevant CCP Transactions existing prior to such intended post-trade event will remain in place and no novation pursuant to the relevant post-trade event will take place.

[...]

1.8 Index-related Provisions

[...]

1.8.2 Permanent Index Cessation

[...]

- (4) If no Successor Index can be determined in accordance with Paragraph (3), Eurex Clearing AG shall perform a cash settlement of any affected OTC Interest Rate Derivative Transaction ~~or OTC XCCY Transaction~~ based on the last available level of the ceased index on or before the Index Cessation Date.
- (5) If under an OTC Interest Rate Derivative Transaction ~~or OTC XCCY Transaction~~ that qualifies as a FRA a payment is required just after the fixing of an index in advance of the fixing period as specified in the trade confirmation, but the final relevant rate of the Successor Index is only available at or after the end of the fixing period, the relevant transaction will be amended so that the respective payments in respect of both legs of the transaction are to be made two Business Days after the final relevant rates of the Successor Index are available to Eurex Clearing AG.

If a payment under an OTC Interest Rate Derivative Transaction ~~or OTC XCCY Transaction~~ is deferred in accordance with this Paragraph (5), the payment shall be calculated as if a payment at the end of the respective fixing period has been specified (i.e. without applying the original discount factor which has been introduced to account for a payment just after the fixing of an index).

- (6) Without prejudice to the early termination provisions set out in Part 2 Number 2.8 ~~Part 3 Number 3.9, Part 4 Number 4.10 and Part 5 Number 5.5~~ and any termination rights a Clearing Member or Basic Clearing Member may have pursuant to Chapter I, Clearing Members or Basic Clearing Members have no right to terminate transactions due to the occurrence of a Permanent Index Cessation Event.
- (7) If with respect to an index a Permanent Index Cessation Event has occurred and a Successor Index may be determined in accordance with Paragraph (3) which will replace the index as of the Index Cessation Date, and the Successor Index consists of a fallback index plus or minus a certain fixed spread, Eurex Clearing AG may amend the affected OTC Interest Rate Derivative Transaction ~~or OTC XCCY Transaction~~ so that either
- (i) if the transaction consists of a fixed leg and a floating leg, the amount payable of the floating leg is determined only by reference to the floating part of the fallback index (i.e. without consideration of the fixed spread) and that the fixed spread becomes part of the fixed leg of the transaction by adding or subtracting it to or from the original component of the fixed leg (as applicable), or
 - (ii) if the transaction consists of at least one floating leg and the floating leg affected by the Permanent Index Cessation Event includes a self-compounding part, the fixed spread is not removed from the self-compounding part of the floating leg but stays included in the floating leg by adding or subtracting it from the self-compounding part of the floating leg (as applicable).

Upon request by Eurex Clearing AG, the Clearing Member or Basic Clearing Member achieving a profit due to the amendment pursuant to Paragraph (7) Sentence 1 is obliged to make a payment to compensate for its profit to Eurex Clearing AG; and Eurex Clearing AG will then pay an equivalent amount to the Clearing Member or Basic Clearing Member suffering a loss due to the amendment. Eurex Clearing AG may issue this request in its reasonable discretion (*billiges Ermessen*) and it normally should issue such request if the profit or loss due of one Clearing Member or Basic Clearing Member affected by the amendment pursuant to sentence 1 amounts to more than EUR 10,000. For the avoidance of doubt, any economic value and any profit or loss referred to in this Paragraph (7) shall be discounted to present value.

[...]

[...]

1.10 Rounding

To the extent not provided otherwise (as, in particular, in the Floating Rate Matrix in Part 2 Number 2.2.5), for the purposes of any calculations referred to in this Chapter VIII of the Clearing Conditions, the following rounding conventions shall apply.

[...]

1.10.2 Rounding of Amounts

[...]

[...]

(2) ~~However, if~~ any such currency amount is a negative amount, the provisions under Part 2 Number 2.2.3 (2), 2.2.4 (2) or 4.2.4 (2), as applicable, shall apply prior to that currency amount being rounded up or down.

[...]

Part 3 [Deleted]

Part 4 [Deleted]

Part 5 Clearing of OTC NDF Transactions

5.1 General Provisions

[...]

5.1.3 ~~Additional Requirements for an OTC Currency Product Clearing License to clear NDF Transactions~~

~~The OTC Currency Products Clearing License granted for the Clearing of OTC NDF Transactions (“OTC Currency Product Clearing Licence”) pursuant to Part 3 Number 3.1.3 entitles~~

~~(A) the relevant General Clearing Member to clear OTC NDF Transactions that are Own Transactions or Client-Related Transactions (except for ECM CASS Transactions and ISA CASS Transactions) under the Elementary Clearing Model Provisions or the ISA Provisions, as applicable;~~

~~(B) the relevant Direct Clearing Member to clear, under the Elementary Clearing Model Provisions, OTC NDF Transactions that are Own Transactions.~~

The general requirements for obtaining a Clearing License set out in Chapter I Part 1 shall apply subject to the provisions set out in this Chapter VIII.

In addition, the applicant applying for an OTC Currency Products Clearing License shall meet the following requirements:

- (1) The applicant is a participant in an ATS designated by Eurex Clearing AG on the Eurex Clearing Website in respect of OTC NDF Transactions.
- (2) The applicant provides a confirmation that a license agreement is concluded between the applicant and Swaps Monitor Publications, Inc., New York for the usage of data to determine the relevant Business Day and the relevant OTC NDF Business Day.
- (3) In addition to the cash accounts required pursuant to Chapter I Part 1 Number 2.1.2 (4) (b), the applicant maintains a bank cash account in USD that is established with a Settlement Bank.

If evidence of meeting any of the above requirements is not provided, Eurex Clearing AG will not conduct the Clearing of OTC NDF Transactions.

~~the Clearing Member to also clear OTC NDF Transactions as further set out in Part 3 Number 3.1.3 if the applicant meets the requirements set out in Part 3 Number 3.1.3 in respect of OTC NDF Transactions and if the applicant is a participant in an ATS designated by Eurex Clearing AG on the Eurex Clearing Website in respect of OTC NDF Transactions.~~

The relevant Clearing Member may elect that, with respect to OTC NDF Transactions, the OTC Products Clearing License shall be restricted to the Clearing of OTC NDF Transactions in at least one NDF Currency Pair ~~(as defined in Number 5.1.5.1 (2)).~~

[...]

EUREX



Appendix 1 to the Clearing Conditions of Eurex Clearing AG:

Clearing Agreement

between Eurex Clearing AG and a Clearing Member

As of 27.06.2022



THE CLEARING CONDITIONS WILL BE AMENDED.

AMENDMENTS ARE MARKED AS FOLLOWS:

INSERTIONS ARE UNDERLINED,

DELETIONS ARE CROSSED OUT.

[...]

6. The Clearing Member makes to Eurex Clearing AG amongst others the representations and warranties, and provides the undertakings, set out in the following provisions of the Clearing Conditions:

[...]

- (2) Chapter I Part 1 Number 1.8 and 1.9 (*No Clearing of OTC Interest Rate Derivatives for US Persons and No Clearing of FX Options Contracts and OTC ~~XCCY~~NDF Transactions for US Persons*);

[...]

- (6) Chapter I Part 1 Number 1.15 (Ontario-related Clearing limitations);

- ~~(7) Chapter VIII Part 3 Number 3.1.3 Paragraph (5) (OTC Currency Products Clearing License).~~

[...]

[...]

Annex Clearing Licence and further selections

1 Clearing License

The Clearing Member shall be granted:

- General Clearing License for the Clearing of the following Transactions:

[...]

- ~~Chapter VIII Part 3, Part 4 and Part 5 OTC FX Transactions, OTC XCCY Transactions and OTC NDF Transactions, respectively~~

- Direct Clearing License for the Clearing of the following Transactions:

[...]



- ~~Chapter VIII Part 3, Part 4 and Part 5 OTC FX Transactions, OTC XCCY Transactions and OTC NDF Transactions, respectively~~

2 Clearing of ECM CASS Transactions and ISA CASS Transactions

[...]

* ~~Not available with respect to the Clearing of OTC FX Transactions, OTC XCCY Transactions and OTC NDF Transactions pursuant to Chapter VIII Part 3, Part 4 and Part 5, respectively.~~

[...]
