

Eurex Clearing AG
ECAG Rule Certification 044-21
June 7, 2021

1. The text of the proposed amendments to the Clearing Conditions of Eurex Clearing AG (“Clearing Conditions”) and FCM Regulations of Eurex Clearing AG (“FCM Regulations”) is appended as Attachment A. Any additions are underlined and any deletions are struck through.
2. The date of intended implementation is June 28, 2021.
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: <https://www.eurex.com/ec-en/rules-regs/regulations/cftc-dco-filings>.
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 AG (“Eurex Clearing”) is proposing the following amendments to the Clearing Conditions and FCM Regulations in association with the introduction of new version of EurexOTC Clear Release 11.2:

1. Eurex Clearing currently supports multilateral unlinked compression, which offers clearing members risk constraint portfolio compression service via TriOptima AG to reduce the size of existing OTC derivatives portfolios with respect to the number of trades and notional through (partial) termination of bilaterally agreed trades after novation to Eurex Clearing. To further increase portfolio compression efficiency, the proposed amendments will support additional compression methodologies with TriOptima AG, including Upscaling, Trade Revisioning, and Trade Refactoring. All products supported by EurexOTC Clear (except cross-currency swaps and FX products) will be eligible for portfolio compression.
2. The proposed amendments provide that, in the event that a trade (that is an IRS, Basis Swap, FRA, OIS, or XCCY swap) contains a front stub period with a payment date in the past, the trade can newly be novated even if it uses special stub interpolation tenors that are not regularly supported by EurexOTC Clear.
3. The proposed amendments adapt the calculation of Price Alignment Interest (“PAI”) and Price Alignment Amount (“PAA”) for T+2 trade currencies (JPY, SEK, NOK, DKK) in order to facilitate a timely settlement on T+1. Specifically, the cashflow amount for the PAI/PAA period from T to T+1 will now be instructed at T-1 instead of T.

4. The proposed amendments clarify that the condition on which a trade (that is an IRS or XCCY swap) loaded from the MarkitWire system can be classified as a backloaded trade in EurexOTC Clear is only if the trade date is older than ten or more business days in the past and the trade is flagged as “backloaded” in MarkitWire GUI.
5. Further minor amendments to the Clearing Conditions and FCM Regulations are being proposed.

Further information regarding the operation, purpose, and effect of the proposed amendments is discussed in the attached Eurex Clearing Circular 044/21, 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 provide additional portfolio compression offerings to clearing members and clarify novation rules and PAI and PAA calculations in certain contexts, and such offerings and rules will be governed by appropriate standards in accordance with this Core Principle.
2. DCO Core Principle E (Risk Management): The proposed amendments will comply with DCO Core Principle E because the amendments provide additional portfolio compression offerings to clearing members, and Eurex Clearing will continue to be governed by appropriate standards in accordance with this 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: <https://www.eurex.com/ec-en/rules-regs/regulations/cftc-dco-filings>.

/s/ Eric Seinsheimer

By: Eric Seinsheimer

Title: US CCO, Eurex Clearing AG

Dated: June 7, 2021