

22 Jun 2021
Eurex Clearing

Amendments to the Clearing Conditions of Eurex Clearing - Consultation

Eurex Clearing Circular 051/21 Amendments to the Clearing Conditions of Eurex Clearing - Consultation

1. Introduction

This circular contains information with respect to the service offering of Eurex Clearing AG (Eurex Clearing) and introduces amendments to the Clearing Conditions of Eurex Clearing (Clearing Conditions), the Default Management Auction Rules (DM Auction Rules) and the FCM Default Rules of Eurex Clearing (FCM Default Rules) regarding the following topics:

- A. Introduction of Hedging Auctions as a tool to improve the hedging process during a Default Management Process (DMP),
- B. Adaptation to the Default Fund waterfall due to the introduction of Hedging Auctions and implementation of further general amendments to increase clarity and readability, and
- C. Minor amendments regarding references to Eurex Clearing's website.

The amendments to the Clearing Conditions and the DM Auction Rules regarding the above topics are subject to a consultation process (Consultation); the Consultation will end upon expiry of **22 July 2021** (Consultation Period). The planned effective date of these amendments is **17 August 2021**, depending on the outcome of the Consultation which will be communicated in a separate Eurex Clearing circular.

The amendments to the FCM Default Rules will become effective as of **17 August 2021**.

Learn more about Eurex topics! To help Clearing Members keep up with all Eurex updates, all support information is now available via via **Eurex Support** and on the go via the personalized **Eurex App**.

2. Required action

The amendments to the Clearing Conditions and the DM Auction Rules are subject to a Consultation which will end with **the expiry of 22 July 2021**.

Eurex Clearing herewith invites all Affected Customers to submit comments on the proposed changes and amendments within the Consultation Period.

3. Details of the initiative

A. Introduction of Hedging Auctions as a tool to improve the hedging process during a Default Management Process

In case of the occurrence of a Termination with respect to a Clearing Member or a FCM Clearing Member, Eurex Clearing initiates its DMP to rebalance itself.

A DMP is generally composed of several steps: the preliminary measures, hedging, independent sales, mandatory (liquidation) auctions and post-liquidation processes. According to the current process, the hedging phase relies on standard trading practices, and voluntary counterparties are selected by Eurex Clearing on discretionary basis, based on recommendations of the relevant Default Management Committee (DMC).

The proposed changes seek to achieve a more balanced DMP with a more transparent and efficient hedging phase by introducing Hedging Auctions.

Purpose of such Hedging Auctions is to establish hedging transactions between Eurex Clearing and the winner of the Hedging Auction to enable Eurex Clearing to hedge the effects of the portfolio of the terminated Clearing Member or FCM Clearing Member. Such Hedging Auctions are conducted on Liquidation Group basis and will comprise of one or several (identical) Hedging Auction Unit(s), and each (invited) Hedging Auction Participant will be obliged to provide a bid and an ask price for a minimum number of auction units.

The respective amendments relate to three essential pillars of the Hedging Auction, i.e. (i) the **selection of Hedging Auction Participants**, (ii) the **incentive system**, and (iii) the **price validity**.

(i) Selection of Hedging Auction Participants

The amendments foresee two ways how a Clearing Member or FCM Clearing Member may become Hedging Auction Participant: (i) voluntary participation or (ii) selection by Eurex Clearing.

Generally, it is foreseen that Clearing Members and FCM Clearing Members become Hedging Auction Participants on a voluntary basis due to the strong

incentives a participation in Hedging Auctions offers.

Hedging Auction Participants benefit from the following incentives:

- (a) potential commercial profit, if winning the Hedging Auction,
- (b) potential seniorization of parts of the Contributions for the winning Hedging Auction Participant, and
- (c) the overall support of CCP-liquidation efforts to ensure financial market stability.

If the number of Clearing Members and FCM Clearing Members volunteering as Hedging Auction Participants is too small in a given Liquidation Group to ensure a successful hedging, Eurex Clearing is entitled to appoint Clearing Members or FCM Clearing Members as Hedging Auction Participants.

Eurex Clearing will only select Clearing Members or FCM Clearing Members having a significant size with an appropriate capability from an operational and risk management perspective to clear the specific volumes in potential hedging transactions. Eurex Clearing will rank such Clearing Members or FCM Clearing Members based on their respective cleared volumes in Own Transactions in the last three months in the relevant Liquidation Group (whereby Clearing Members or FCM Clearing Members with higher cleared volumes will be ranked first).

All Hedging Auction Participants will receive on a regular basis liquidity surveys to provide indicative prices and maximum tradable sizes of potential hedging transactions.

During a DMP, if a Hedging Auction is triggered, Eurex Clearing will invite all or some of the relevant Hedging Auction Participants to participate in the auction. The number of participants will be a trade-off between price discovery, fairness, and limitation of information leakage. The selection itself will be primarily based on the answer of the liquidity surveys for the products composing the hedging portfolio.

A candidate can outsource its participation to one of its clients.

(ii) Incentive System

With respect to already existing portfolio auctions, Eurex Clearing sets incentives only by setting consequences for bad behaviour (i.e. for providing invalid bids). In such case, the Clearing Member's Default Fund Contribution is juniorized.

The introduction of Hedging Auction comes hand in hand with incentives for winning the auction and providing invalid bids.

With the amendments, Eurex Clearing introduces a new realization level in its Default Fund waterfall. Now, the Contributions of a (non-defaulting) Clearing

Member or FCM Clearing Member can be assigned to one of the three following realization levels:

(a) **the “Juniorized” Contributions:** if a Hedging Auction Participant submits an invalid bid or does not submit a bid at all, its Default Fund Contributions will be partly or fully juniorized.

However, each non-bidding Hedging Auction Participant shall have the option to partly or fully remedy the juniorization of its Default Fund Contribution, by providing the winning bid in a portfolio auction to which it was invited by Eurex Clearing as Mandatory Participant. In such case, its Contribution will become “standard” Contribution again.

(b) **the “Standard” Contributions:** if a Hedging Auction Participant did provide valid bids, but did not win any Hedging Auction, its Contribution is neither Juniorized nor Seniorized; or

(c) **the “Seniorized” Contributions:** if a Hedging Auction Participant did provide a winning bid in a Hedging Auction, its Default Fund Contribution will be partly or fully seniorized.

(iii) Price Validity

As described under point (ii), Hedging Auction Participants who failed to provide a valid bid will face juniorization of their Default Fund Contributions. Therefore, a pre-defined formula for evaluating price validity is introduced and designed to offer transparency, predictability and ensure fairness. Price validity will be based on dynamic maximum bid/ask spread that Eurex Clearing will determine for each Hedging Auction.

The maximum bid/ask spread will be determined as the sum of two components:

(a) a fixed parameter, determined by Eurex Clearing and the DMC prior to the auction, which will be communicated to all Hedging Auction Participants prior to the Hedging Auction together with the portfolio composition, which will allow participants to provide prices that guarantee no juniorization, and;

(b) a dynamic component, equal to the difference between the worse winning bid (if Eurex Clearing trades on the bid) and the worse winning ask (if Eurex Clearing trades on the ask); this component can only be calculated after the auction result is available to Eurex Clearing; its purpose is to ensure that the maximum bid-ask spread adapts to quickly changing market conditions and reduces reliance on individual expert opinion for its definition.

As far as the auction format is concerned, Hedging Auctions will be multi-unit, pay your price, and two-way pricing. All Hedging Auction participants will have the same minimum requirement and will be allowed to bid for a larger portion than the requirement. The Hedging Auction participants shall have the ability

to show an “all or nothing” price, meaning Eurex Clearing will either trade on the whole portfolio with the participant, if it wins, or not trade at all with this participant.

To reflect the changes, the following rules and regulations of Eurex Clearing will be amended as outlined in the attachments:

- ◆ Number 7.5.2 of the Clearing Conditions,
- ◆ Number 4.2 of the FCM Default Rules, and
- ◆ the DM Auction Rules.

B. Adaptation to the Default Fund waterfall due to the introduction of Hedging Auctions and implementation of further general amendments

The introduction of Mandatory Hedging Auctions requires amendments to the description of the Default Fund waterfall, by introducing a “seniorized” Default Fund Contribution segment. When implementing the “seniorized” Contribution segment into the current Default Fund waterfall, Eurex Clearing further tried to increase the clarity and readability of these complex provisions. For the avoidance of doubt, all such amendments (besides the introduction of the “seniorized” Contribution segment) do not foresee any changes of content, the overall order of priority of the realization of the Contributions to the Default Fund remains unchanged.

For the sake of completeness and clarity, please find below a summary of the full (new) Default Fund waterfall of Eurex Clearing:

- 1) Default Fund Contribution of the **Defaulted Clearing Member**
 - a. From the segments where losses remain (so-called Liquidation Group Ratio)
 - b. From segments where no losses remain (so-called spill-over)
- 2) In case of a defaulting Basic Clearing Member, Further Contributions for such defaulted Basic Clearing Member (assessments) provided by **Clearing Agent**
 - a. From the segments where losses remain (so-called Liquidation Group Ratio)
 - b. From segments where no losses remain or from segments not affected at all (so-called spill-over)
- 3) Dedicated Amount of **Eurex Clearing (skin in the game)**
 - a. From the segments where losses remain (so-called Liquidation Group Ratio)
 - b. From segments where no losses remain or from segments not affected at all (so-called spill-over)
- 4) “Juniorized” Default Fund Contribution of **non-defaulted Clearing Members**/any BCM Contributions of the defaulted Clearing Agent

- a. From segments where losses remain (so-called Liquidation Group Ratio)
- b. From segments where no losses remain or from segments not affected at all (so-called spill-over)

5) “Standard” Default Fund Contribution of **non-defaulted Clearing Members**

- a. From segments where losses remain (so-called Liquidation Group Ratio)
- b. From segments where no losses remain or from segments not affected at all (so-called spill-over)

6) “Seniorized” Default Fund Contribution of **non-defaulted Clearing Members (NEW)**

- a. From segments where losses remain (so-called Liquidation Group Ratio)
- b. From segments where no losses remain or from segments not affected at all (so-called spill-over)

7) “Juniorized” Further Contribution (assessments) (**non-defaulted Clearing Members**)

- a. From segments where losses remain (so-called Liquidation Group Ratio) – here no spill-over applies

8) “Standard” Further Contributions (assessments) (**non-defaulted Clearing Members**) and Further Dedicated Amount by **Eurex Clearing** (- further skin in the game - 300 Mio euro maximum)

- a. From segments where losses remain (so-called Liquidation Group Ratio) – here no spill over applies.

In addition, Eurex Clearing also applies the following general rules with respect to the realization of Default Fund Contributions:

- ◆ A so-called “segment” corresponds to the portion of the Contribution or Dedicated Amount which is reserved for a specific Liquidation Group. For further details, please refer to the following link on the Eurex Clearing website www.eurex.com/ec-en/ > Services > **Risk parameters**
- ◆ Generally, all resources available for realization (including Contributions, Further Contributions, Dedicated Amount and the Further Dedicated Amount) on each sub-level of the afore-mentioned Default Fund waterfall shall be entirely consumed before Eurex Clearing moves on to the next sub-level.
- ◆ At any sub-level “a.” as per above with respect to the Default Fund Contributions of a Clearing Member or FCM Clearing Member, the available resources are distributed to the segment in proportion of the applicable margin requirement of the relevant Clearing Member or FCM Clearing Member (so-called Liquidation Group-Ratio) at the time of termination.
- ◆ For the pre-funded resources (levels 1 to 6), a spill-over applies at each sub-level “b.”. Where spill-over applies, remaining resources are distributed to the Liquidation Groups in proportion to the uncovered

losses in each Liquidation Group, and reciprocally, the uncovered losses are distributed to each “payer” in proportion to its remaining resources in this level.

To reflect the changes, the following rules and regulations of Eurex Clearing will be amended as outlined in the attachments:

- ◆ Chapter I Part 1 Number 6 of the Clearing Conditions and
- ◆ Number 3 of the FCM Default Rules.

C. Minor amendments regarding references to Eurex Clearing’s website

Further, Eurex Clearing made some editorial changes with respect to references to the website of Eurex Clearing and deleted the hyperlinks.

To reflect the changes, the following rule books of Eurex Clearing will be amended as outlined in the attachments:

- ◆ the Clearing Conditions and
- ◆ the DM Auction Rules.

Consultation with respect to the amendments to the Clearing Conditions and the DM Auction Rules

Pursuant to Chapter I Part 1 Number 17 of the Clearing Conditions, the proposed changes and amendments to the Clearing Conditions are subject to a Consultation which will end with the expiry of **22 July 2021**.

Eurex Clearing herewith invites all Affected Customers to submit comments on the proposed changes and amendments within the Consultation Period.

During the Consultation Period, comments on proposed changes or amendments shall only be submitted through a web-based commenting service for which a registration form is available on the Eurex Clearing website under the following link:

Find > Forms > Data Forms Subject > Clearing Derivatives > **Consultation Form**

The form has to be duly signed and returned to Eurex Clearing via e-mail to SpecialProvisions@eurex.com, in order to obtain a User ID and Password together with a link for accessing the web-based commenting service.

To the extent that Eurex Clearing decides to implement any comments received during the Consultation, the so-amended version of the Clearing Conditions will be published after the Consultation.

The currently envisaged effective date of the changes to the Clearing Conditions and the DM Auction Rules is **17 August 2021**. However, after the Consultation Period, Eurex Clearing will issue a separate circular to announce

the concrete date on which the proposed changes (as the case may be, implementing comments received during the Consultation) will come into effect.

This announcement will be made with at least 15 Business Days' notice (Regular Notification Period). However, if Eurex Clearing should receive a request for a Prolonged Notification Period from more than two Affected Customers during the Consultation Period, a Prolonged Notification Period as set out in the Clearing Conditions will be applied and Eurex Clearing will notify all affected parties accordingly.

Publication of amendments to the FCM Default Rules

As of the effective date, the full versions of the amended FCM Default Rules will be available for download on the Eurex Clearing website under the following link:

Rules & Regs > Rules and Regulations

The changes and amendments to the FCM Default Rules published by this circular are deemed accepted by each affected contractual party of Eurex Clearing, unless the respective contractual party objects by written notice to Eurex Clearing within the first ten (10) Business Days after publication. Any ordinary right of Eurex Clearing to terminate the respective contract (including the FCM Clearing Agreement, if applicable) shall remain unaffected.

Unless the context requires otherwise, terms used and not otherwise defined in this circular shall have the meaning ascribed to them in the Clearing Conditions, the DM Auction Rules or the FCM Default Rules, as applicable.

Attachments:

1. Amended sections of the Clearing Conditions
2. Amended sections of the DM Auction Rules
3. Amended sections of the FCM Default Rules

Further information

Recipients: All Clearing Members, Basic Clearing Members, Disclosed Direct Clients and FCM Clearing Members of Eurex Clearing, vendors and other affected contractual parties

Target groups: Front Office/Trading, Middle + Backoffice, IT/System Administration, Auditing/Security Coordination

Contact: client.services@eurex.com

Web: www.eurex.com/ec-en/

Authorized Dmitrij Senko

by:

Further information

- [Attachment 1 to Eurex Clearing circular 051/21](#)
- [Attachment 2 to Eurex Clearing circular 051/21](#)
- [Attachment 3 to Eurex Clearing circular 051/21](#)

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Chapter I of the Clearing Conditions of Eurex Clearing AG

General Provisions

As of 17.08.2021

AMENDMENTS ARE MARKED AS FOLLOWS:

INSERTIONS ARE UNDERLINED

DELETIONS ARE CROSSED OUT

Part 1 General Clearing Provisions

[...]

1.4 Settlement of Transactions

[...]

1.4.4 Buy-In Right and Buy-In Auction

- (1) The Special Clearing Provisions may provide that in the event of a failure by a Clearing Member or Basic Clearing Member under a Transaction to deliver Securities to Eurex Clearing AG on the applicable delivery date, Eurex Clearing AG shall be entitled at the cost of the defaulting Clearing Member or the defaulting Basic Clearing Member to initiate a buy-in process whereby Eurex Clearing AG attempts to acquire the relevant Securities from a third party. For this purpose, Eurex Clearing AG may, subject to and in accordance with the Special Clearing Provisions (i) directly purchase the Securities from a third party, (ii) appoint a third party buy-in agent to acquire the Securities for Eurex Clearing AG and/or (iii) conduct an auction in accordance with the auction terms ("**Auction Terms**") published by Eurex Clearing AG on the Eurex Clearing Website ~~its website~~ (www.eurexclearing.com). The Auction Terms shall form part of these Clearing Conditions. Eurex Clearing AG shall inform the Clearing Member when it attempts to execute a buy-in and the Clearing Member shall not be entitled to deliver the relevant Securities to Eurex Clearing AG during such time. The same applies to the extent the buy-in has been successfully executed by Eurex Clearing AG.

[...]

1.5 EMIR Risk Committee

[...]

- 1.5.2 The statutes for the EMIR Risk Committee as published by Eurex Clearing AG on the Eurex Clearing Website ~~its website~~ www.eurexclearing.com represent an integral part of the Clearing Conditions.

[...]

1.6 Additionally Monitored Risks and Risk Mitigating Measures

[...]

1.6.1 General Rules

[...]

- (3) Eurex Clearing AG will publish further details and guidelines regarding the determination of thresholds and limits and the applicable mitigation measures (together the “**Framework**”) on the Eurex Clearing Website ~~its homepage~~ (www.eurexclearing.com). The Framework may be amended from time to time and published accordingly.

[...]

- (7) Eurex Clearing AG will publish the Country Classification and the Supranational Organisation Classification in the member section on the Eurex Clearing Website ~~its website~~ (www.eurexclearing.com).

[...]

1.6.3 Assessment and Mitigation of Concentration Risk

(1) [...]

- (b) Eurex Clearing AG will publish the Concentration Risk Limits, and any changes thereof on the Eurex Clearing Website ~~its website~~ (www.eurexclearing.com).

[...]

(2) [...]

- (c) Eurex Clearing AG will publish the Concentration Risk Thresholds, and any changes thereof, on the Eurex Clearing Website ~~its website~~ (www.eurexclearing.com).

[...]

1.6.4 Assessment and Mitigation of Wrong Way Risk

[...]

- (4) Eurex Clearing AG will publish the Wrong Way Risk Thresholds, and any changes thereof, on the Eurex Clearing Website ~~its website~~ (www.eurexclearing.com).

[...]

1.16 FIC Board Advisory Committee

[...]

1.16.3 [...]

The statutes for the FIC Board Advisory Committee as published on the Eurex Clearing Website ~~website of Eurex Clearing AG (www.eurexclearing.com)~~ shall form an integral part of these Clearing Conditions.

2 Clearing Members

[...]

2.5 Specific provisions and additional continuing obligations for U.S. Clearing Members

[...]

2.5.1 Special prerequisites and provisions for U.S. Clearing Members

- (1) An applicant legally organised and with its principal place of business in the United States of America (or any state thereof) can only apply for a Clearing Licence for Eurex Transactions as determined from time to time by Eurex Clearing AG. Eurex Clearing AG will publish a list of all futures contract transactions and options contract transactions which can be cleared through Eurex Clearing AG by U.S. Clearing Members on the Eurex Clearing Website ~~its website (www.eurexclearing.com)~~.

[...]

3 General Provisions regarding Margin and Variation Margin

[...]

3.1 Types of Margin and calculation of the Margin Requirement

3.1.1 Types of Margin

[...]

- (4) The “**Initial Margin**” requirement equals the amount of any potential losses Eurex Clearing AG would suffer as of the time of the determination of the margin requirement from a closing of the Transaction(s) in a particular Liquidation Group by entering into (an) inverse transaction(s) (*Glattstellung*) within the respectively applicable holding period for the respective Liquidation Group, as published by Eurex Clearing AG on the Eurex Clearing Website ~~its website (www.eurexclearing.com)~~, taking into account assumed price changes due to extreme price movements in the market, and shall be in addition to the amount calculated by the Premium Margin or any other Margin Type.

[...]

3.1.3 Margin Methodology, participation in Liquidity Surveys

[...]

- (2) With regard to the Margin Methodologies, Eurex Clearing AG will publish the relevant applicable calculation method for all relevant types of margin in accordance with Number 16.1 on the Eurex Clearing Website ~~its homepage~~ www.eurexclearing.com; each published Margin Methodology shall form part of these Clearing Conditions.

[...]

3.4 Currency Conversion, Use of Eligible Margin Assets in the form of cash and Income on Margin Assets, Participation of Clearing Members in Losses

[...]

- 3.4.4 Eurex Clearing AG may determine from time to time to either pay interest or charge negative interest on Eligible Margin Assets in the form of cash actually delivered by a Clearing Member or a Basic Clearing Member (or Clearing Agent acting for the account of the Basic Clearing Member) to Eurex Clearing AG in respect of Margin. Eurex Clearing AG publishes information on the calculation of interest rates or negative interest rates as well as any changes to the applicable calculation method due to extraordinary market conditions or market disruptions on the Eurex Clearing Website ~~its website~~ (www.eurexclearing.com). Such information will be amended from time to time and published accordingly. When determining to charge negative interest, Eurex Clearing AG shall consider the currently applicable benchmark interest rates and interest rates charged by the central banks or commercial banks. Any income on Eligible Margin Assets in form of Securities actually delivered by a Clearing Member or a Basic Clearing Member to Eurex Clearing AG in respect of Margin shall be subject to the specific provisions of the Elementary Clearing Model Provisions, the ISA Provisions or the Basic Clearing Member Provisions.

[...]

3.4.6 [...]

- (i) [...]

“Commercial Bank Currency” means any (A) currency accepted by Eurex Clearing AG as Eligible Margin Assets and/or (B) currency of a Currency Pair (as defined in Chapter VIII Part 3 Number 3.1.5.1 Paragraph (2)), for which Eurex Clearing AG does not maintain an account with a central bank. Eurex Clearing AG shall publish a list of the Commercial Bank Currencies on the Eurex Clearing Website ~~its website~~ (www.eurexclearing.com).

- (ii) Eurex Clearing AG shall participate in the Loss on a pro rata basis (“**Own Contribution**”). The maximum Own Contribution shall be EUR 50,000,000 (“**Maximum Own Contribution**”). The Maximum Own Contribution refers to all past and future Losses and, in case of the occurrence of a Loss, the Maximum Own Contribution shall be reduced by the relevant Own Contribution (“**Available Own Contribution**”). Eurex Clearing AG shall publish the current Available Own Contribution on the Eurex Clearing Website its website (www.eurexclearing.com).

[...]

6 Default Fund

[...]

“Non-Affected FCM Contribution” has the meaning assigned to it in Number 2 of the FCM Default Rules.

[...]

6.1 Contributions to the Default Fund

6.1.1 Contributions and Calculation of the Contributions to the Default Fund

[...]

- (2) Eurex Clearing AG shall from time to time determine the amount of the CM Contribution to be paid and maintained by a Clearing Member and the amount of the BCM Contribution to be paid and maintained by a Clearing Agent (each a “**Contribution Requirement**”) in accordance with the relevant applicable calculation method (the “**Contribution Calculation Method**”). Eurex Clearing AG shall publish the Contribution Calculation Method and any changes thereof on the Eurex Clearing Website its website (www.eurexclearing.com) pursuant to Number 16.1.

[...]

6.1.3 Eurex Clearing AG’s dedicated own resources to the Default Fund

Eurex Clearing AG will dedicate own resources to the Default Fund (the “**Dedicated Amount**”) to be used if a Clearing Member Termination Date with respect to one or more Clearing Members, a Basic Clearing Member Termination Date with respect to one or more Basic Clearing Members or an FCM Clearing Member Termination Time with respect to one or more FCM Clearing Members occurs. The Dedicated Amount will be published on the Eurex Clearing Website the website of Eurex Clearing AG (www.eurexclearing.com).

6.2 Realisation of the Default Fund

[...]

The following terms shall have the following meanings:

“Affected Clearing Member” means a CM Affected Clearing Member or a BCM Affected Clearing Member, as the context requires.

“Affected CM Contribution” means CM Contribution and (if available) any Excess Contribution of the CM Affected Clearing Member.

“Affected BCM” means a Basic Clearing Member with respect to which a Basic Clearing Member Termination Date has occurred.

“Affected BCM Contribution” means the BCM Contribution and (if available) any Excess Contribution of the BCM Affected Clearing Member relating to the Affected BCM.

[...]

“Non-Affected Clearing Member” means a Clearing Member that is not an Affected Clearing Member.

“Non-Affected CM Contributions” means the CM Contributions excluding any (i) Affected CM Contribution and (ii) Excess Contribution of a Clearing Member.

“Non-Affected BCM Contributions” means the BCM Contributions, excluding (i) any Affected BCM Contribution and (ii) Excess Contribution of a Clearing Agent.

“Realisation Event” means:

(i) a “Clearing Conditions Realisation Event” which occurs if, following a Termination or a Basic Clearing Member Termination, the relevant provisions relating to the consequences of a Clearing Member Termination Date or Basic Clearing Member Termination Date set out in the Elementary Clearing Model Provisions (in particular, Subpart A Number 6 thereof), the ISA Provisions (in particular, Number 11 thereof) or the Basic Clearing Member Provisions (in particular, Numbers 10 and 11 thereof), as applicable, have been applied; and/or

(ii) an FCM Clearing Conditions Realisation Event.

“Relevant Liquidation Group” means each Liquidation Group to which Terminated Transactions of the Affected Clearing Member or the terminated FCM Clearing Member belong and all Terminated Transactions and all Terminated FCM Clearing Member Transactions which do not form part of any Liquidation Group shall collectively be treated as one “Relevant Liquidation Group” for the purposes of this Number 6.

6.2.1

Order of Priority

In the case of a Realisation Event, the Contributions and Further Contributions will be realised in accordance with the following order of priority: ~~with respect to each Relevant Liquidation Group (whereby each Paragraph (1) to (12) of such order of priority shall be applied to all Relevant Liquidation Groups simultaneously before, in each case, the respective next paragraph is applied and whereby all Terminated Transactions and all~~

~~Terminated FCM Clearing Member Transactions (as defined in Number 7.5) which do not form part of any Liquidation Group shall collectively be treated as one “Relevant Liquidation Group” for the purposes of this Number 6):~~

(1) Affected CM Contribution, Affected BCM Contribution or Affected FCM Contribution

~~First, Eurex Clearing AG will, with respect to the losses arising from a Relevant Liquidation Group, realise first, the applicable Liquidation Group Ratio of~~

- ~~(i) the Affected CM Contribution and (if available) any Excess Contribution of the CM Affected Clearing Member (such CM Contribution and such Excess Contribution, if any, the “**Affected CM Contribution**”), or~~
- ~~(ii) the Affected BCM Contribution and (if available) any Excess Contribution of the BCM Affected Clearing Member relating to the Affected BCM Basic Clearing Member with respect to which a Basic Clearing Member Termination Date has occurred (such Basic Clearing Member, the “**Affected BCM**” and such BCM Contribution and such Excess Contribution, if any, the “**Affected BCM Contribution**”), or~~
- ~~(iii) the Affected FCM Contribution and (if available) any Excess Contribution, as applicable;~~

“Liquidation Group Ratio” with respect to this Paragraph (1) means the fraction of the available Affected CM Contribution, Affected BCM Contribution or Affected FCM Contribution which may be realised with respect to the Relevant Liquidation Group under this Paragraph (1) and which will be determined as follows:

- (I) in the case of Affected CM Contribution, the ratio of (A) the part of the CM Contribution Requirement of the CM Affected Clearing Member applicable to such Relevant Liquidation Group and (B) the CM Contribution Requirement of the CM Affected Clearing Member,
- (II) in the case of Affected BCM Contribution, the ratio of (A) the part of the BCM Contribution Requirement relating to the Affected BCM applicable to such Relevant Liquidation Group and (B) the BCM Contribution Requirement relating to the Affected BCM, and
- (III) in the case of Affected FCM Contribution, the ratio of (A) the part of the FCM Contribution Requirement of the Affected FCM Clearing Member applicable to such Relevant Liquidation Group and (B) the FCM Contribution Requirement of the Affected FCM Clearing Member.

(2) Remainder of Affected CM Contribution, Affected BCM Contribution or Affected FCM Contribution

~~Second, Eurex Clearing AG will realise second, the applicable Liquidation Group Ratio of any remainder of (i) the Affected CM Contribution, (ii) the Affected BCM Contribution or (iii) the Affected FCM Contribution, as applicable the Remainder~~

Amount relating to the Affected CM Contribution, Affected BCM Contribution or Affected FCM Contribution.

“Remainder Amount” with respect to this Paragraph (2) means in relation to the CM Affected Clearing Member, the Affected BCM or the Affected FCM Clearing Member the aggregate of all remainders of the Affected CM Contribution, Affected BCM Contribution or Affected FCM Contribution under all Relevant Liquidation Groups which have been determined (but have not been realised under Paragraph (1)).

Eurex Clearing AG will allocate the Remainder Amount to all Relevant Liquidation Groups with respect to which not all losses have been discharged under Paragraph (1), on a pro-rata basis.

(3) Affected BCM Further Contribution

Third, only in the case of a BCM Affected Clearing Member, Eurex Clearing AG will, with respect to the losses arising from a Relevant Liquidation Group, realise the applicable Liquidation Group Ratio of the Affected BCM Further Contributions (as defined below) relating to the Affected BCM.

“Liquidation Group Ratio” with respect to this Paragraph (3) means the fraction of the available BCM Further Contribution which may be realised with respect to the Relevant Liquidation Group under this Paragraph (1) and which will be determined as the ratio of (A) the part of the requirement to provide Affected BCM Further Contributions applicable to such Relevant Liquidation Group and (B) the aggregate requirement to provide Affected BCM Further Contributions.

(4) Remainder of BCM Further Contribution

Fourth, only in the case of a BCM Affected Clearing Member, Eurex Clearing AG will realise the applicable Liquidation Group Ratio of any remainder of the Affected BCM Further Contributions-Remainder Amount relating to the Affected BCM Further Contribution.

“Remainder Amount” with respect to this Paragraph (4) means with respect to the Affected BCM the aggregate of all remainders of the Affected BCM Further Contribution under all Relevant Liquidation Groups which have been determined but have not been realised under Paragraph (3).

Eurex Clearing AG will allocate the Remainder Amount to all Relevant Liquidation Groups, with respect to which not all losses have been discharged under Paragraph (3), on a pro-rata basis.

(5) Dedicated Amount

Fifth, Eurex Clearing AG will, with respect to the losses arising from a Relevant Liquidation Group, realise the applicable Liquidation Group Ratio of the Dedicated Amount.

“Liquidation Group Ratio” with respect to this Paragraph (5) means the fraction of the available Dedicated Amount which may be realised with respect to the Relevant Liquidation Group under this Paragraph (5) and which will be determined as the ratio of (A) the part of the sum of all Initial Margin requirements (under the Clearing Conditions or the FCM Regulations) and all Additional Margin requirements of all Clearing Members and FCM Clearing Members determined for such Relevant Liquidation Group and (B) the sum of all Initial Margin requirements (under the Clearing Conditions and the FCM Regulations) and all Additional Margin requirements of all Clearing Members and FCM Clearing Members determined for all Liquidation Groups.

(6) Remainder of Dedicated Amount

~~S~~sixth, ~~the applicable Liquidation Group Ratio of any remainder of the Dedicated~~ Eurex Clearing AG will realise the Remainder Amount relating to the Dedicated Amount.

“Remainder Amount” means with respect to this Paragraph (6) the aggregate of

- (i) all remainders of the Dedicated Amount under all Relevant Liquidation Groups which have been determined but have not been realised pursuant to Paragraph (5), and
- (ii) the Liquidation Group Ratio of the Dedicated Amount determined under Paragraph (5) relating to any other Liquidation Group which is not a Relevant Liquidation Group.

Eurex Clearing AG will allocate the Remainder Amount to all Relevant Liquidation Groups, with respect to which not all losses have been discharged under Paragraph (5), on a pro-rata basis.

(7) Contributions of non-bidding auction participants and a terminated Clearing Agent

~~S~~seventh, Eurex Clearing AG will, with respect to the losses arising from a Relevant Liquidation Group, realise the applicable Liquidation Group Ratio of

- (i) the CM Contributions, excluding any Affected CM Contribution, (“Non-Affected CM Contributions”) of all Clearing Members that are CM Non-Bidding Participants and the BCM Contributions, excluding any Affected BCM Contribution, (“Non-Affected BCM Contributions”) of all Clearing Members and of all Clearing Agents that are CM Non-Bidding Participants with respect to at least one DM Auction in the Relevant Liquidation Group (excluding any Seniorised Hedging Contributions),
- (ii) the Non-Affected BCM Contributions of the CM Affected Clearing Member, as well as

- (iii) the Non-Affected FCM Contributions of all FCM Clearing Members that are FCM Non-Bidding Participants with respect to at least one DM Auction in the Relevant Liquidation Group (excluding any Seniorised Hedging Contributions),
- (iv) the Non-Affected CM Contributions and the Non-Affected BCM Contributions of all Clearing Members and Clearing Agents that are CM Non-Bidding Hedging Auction Participants with respect to Hedging Auctions relating to the Relevant Liquidation Group (Juniorised Hedging Contributions), and
- (v) the Non-Affected FCM Contributions of all FCM Clearing Members that are FCM Non-Bidding Hedging Auction Participants with respect to Hedging Auctions relating to the Relevant Liquidation Group (Juniorised Hedging Contributions).

“Liquidation Group Ratio” with respect to this Paragraph (7) means the fraction of the available Non-Affected CM Contributions, Non-Affected BCM Contributions or Non-Affected FCM Contributions which may be realised with respect to the Relevant Liquidation Group under this Paragraph (7) and which will be determined as follows:

- (I) in the case of Non-Affected CM Contribution of a Clearing Member that is a CM Non-Bidding Participant, the ratio of (A) the part of the CM Contribution Requirement of the relevant Clearing Member applicable to such Relevant Liquidation Group and (B) the CM Contribution Requirement of the relevant Clearing Member,
- (II) in the case of Non-Affected BCM Contribution of a Clearing Agent that is a CM Non-Bidding Participant or the CM Affected Clearing Member, the ratio of (A) the part of the BCM Contribution Requirement relating to the relevant Basic Clearing Member applicable to such Relevant Liquidation Group and (B) the BCM Contribution Requirement relating the relevant Basic Clearing Member,
- (III) in the case of Non-Affected FCM Contribution of a FCM Clearing Member that is a FCM Non-Bidding Participant, the ratio of (A) the part of the FCM Contribution Requirement of the relevant FCM Clearing Member applicable to such Relevant Liquidation Group and (B) the FCM Contribution Requirement of the relevant FCM Clearing Member,
- (IV) in case of Non-Affected CM Contribution of a Clearing Member that is a Non-Bidding Hedging Auction Participant, the product of (A) the ratio of (AA) the part of the CM Contribution Requirement of the relevant Clearing Member applicable to such Relevant Liquidation Group and (BB) the CM Contribution Requirement of the relevant Clearing Member and (B) the difference of (AA) the Non-Bidding Hedging Auction Ratio with respect to the Relevant Liquidation Group and (if any) (BB) the Remedied Juniorisation Ratio with respect to the Relevant Liquidation Group,
- (V) in case of Non-Affected BCM Contribution of a Clearing Agent that is a CM Non-Bidding Hedging Auction Participant, the product of (A) the ratio of (AA) the part

of the BCM Contribution Requirement relating to the relevant Basic Clearing Member applicable to such Relevant Liquidation Group and (BB) the BCM Contribution Requirement relating to the relevant Basic Clearing Member and (B) the difference of (AA) the Non-Bidding Hedging Auction Ratio with respect to the Relevant Liquidation Group and (if any) (BB) the Remedied Juniorisation Ratio with respect to the Relevant Liquidation Group, or

(VI) in case of Non-Affected FCM Contribution of a FCM Clearing Member that is a FCM Non-Bidding Hedging Auction Participant, the product of (A) the ratio of (AA) the part of the FCM Contribution Requirement of the relevant FCM Clearing Member applicable to such Relevant Liquidation Group and (BB) the FCM Contribution Requirement of the relevant FCM Clearing Member and (B) the difference of (AA) the Non-Bidding Hedging Auction Ratio with respect to the Relevant Liquidation Group and (if any) (BB) the Remedied Juniorisation Ratio with respect to the Relevant Liquidation Group.

(8) Remainder of Contributions of non-bidding auction participants and a terminated Clearing Agent

Eighth, Eurex Clearing AG will realise all the applicable Liquidation Group Ratio of the Applicable CM/FCM Remainder Amounts of any remainder of all Clearing Members, Clearing Agents and FCM Clearing Members that are CM Non-Bidding Participants, FCM Non-Bidding Participants, CM Non-Bidding Hedging Auction Participants and FCM Non-Bidding Hedging Auction Participants and the Clearing Agent that is the CM Affected Clearing Member.

“Applicable CM/FCM Remainder Amount” with respect to this Paragraph (8) means the available Non-Affected CM Contribution, Non-Affected BCM Contribution or Non-Affected FCM Contribution of the relevant Clearing Member, Clearing Agent or FCM Clearing Member which may be realised under this Paragraph (8) and which will be determined as the product of (A) the ratio of (AA) the Remainder Amount of the relevant Clearing Member, Clearing Agent or FCM Clearing Member and (BB) the aggregate of all Remainder Amounts of all Clearing Members, Clearing Agents and FCM Clearing Members and (B) the Default Fund Secured Claims which have not been discharged. The Applicable CM/FCM Remainder Amount cannot exceed the Remainder Amount of the relevant Clearing Member, Clearing Agent or FCM Clearing Member.

“Remainder Amount” with respect to this Paragraph (8) means with respect to the relevant Clearing Member, Clearing Agent or FCM Clearing Member, the aggregate of all remainders of Non-Affected CM Contribution, Non-Affected BCM Contribution or Non-Affected FCM Contribution of the relevant Clearing Member, Clearing Agent or FCM Clearing Member under all Relevant Liquidation Groups which have been determined but have not been realised pursuant to Paragraph (7).

In case of the calculation of the Remainder Amount with respect to a Non-Affected BCM Contribution of a Clearing Agent that is the CM Affected Clearing Member, the Remainder Amount shall additionally include all Non-Affected BCM Contributions

relating to all BCMs of the relevant Clearing Agent and which relate to any Liquidation Group which is not a Relevant Liquidation Group.

Eurex Clearing AG will allocate all Applicable CM/FCM Remainder Amounts of all Clearing Members, Clearing Agents and FCM Clearing Members to all Relevant Liquidation Groups, with respect to which not all losses have been discharged under Paragraph (7), on a pro-rata basis.

~~(i) the Non-Affected CM Contributions and the Non-Affected BCM Contributions of all Clearing Members and Clearing Agents that are CM Non-Bidding Participants with respect to at least one DM Auction in the relevant Liquidation Group, (ii) the Non-Affected BCM Contributions of the CM Affected Clearing Member as well as (iii) the Non-Affected FCM Contributions of all FCM Clearing Members that are FCM Non-Bidding Participants with respect to at least one DM Auction in the relevant Liquidation Group;~~

(9) Contributions of Clearing Members and FCM Clearing Members that are not non-bidding auction participants

— Ninth, Eurex Clearing AG will, with respect to the losses arising from a Relevant Liquidation Group, realise the applicable Liquidation Group Ratio of

(i) the Non-Affected CM Contributions and the Non-Affected BCM Contributions of all Clearing Members and Clearing Agents, respectively, that are not CM Non-Bidding Participants with respect to the relevant Liquidation Group, (excluding any Non-Affected BCM Contributions of the CM Affected Clearing Member, any Juniorised Hedging Contributions and any Seniorised Hedging Contributions) and

(ii) the Non-Affected FCM Contributions of all FCM Clearing Members that are not FCM Non-Bidding Participants with respect to the relevant Liquidation Group (excluding any Juniorised Hedging Contributions and any Seniorised Hedging Contributions).

“Liquidation Group Ratio” with respect to this Paragraph (9) means the fraction of the available Non-Affected CM Contributions, Non-Affected BCM Contributions or Non-Affected FCM Contributions which may be realised with respect to the Relevant Liquidation Group under this Paragraph (9) and which will be determined as follows:

(I) in the case of Non-Affected CM Contribution of a Clearing Member, the ratio of (A) the part of the CM Contribution Requirement of the relevant Clearing Member applicable to such Relevant Liquidation Group and (B) the CM Contribution Requirement of the relevant Clearing Member,

(II) in the case of Non-Affected BCM Contribution of a Clearing Agent, the ratio of (A) the part of the BCM Contribution Requirement relating to the relevant Basic Clearing Member applicable to such Relevant Liquidation Group and (B) the BCM Contribution Requirement relating to the relevant Basic Clearing Member,
or

(III) in the case of Non-Affected FCM Contribution of a FCM Clearing Member, the ratio of (A) the part of the FCM Contribution Requirement of the relevant FCM Clearing Member applicable to such Relevant Liquidation Group and (B) the FCM Contribution Requirement of the relevant FCM Clearing Member.

(10) Remainder of Contributions of Clearing Members and FCM Clearing Members that are not non-bidding auction participants

~~†Tenth, Eurex Clearing AG shall realise the applicable Liquidation Group Ratio of (i) any remainder of the Non-Affected CM Contributions and the Non-Affected BCM Contributions of all Clearing Members and Clearing Agents that are not CM Non-Bidding Participants with respect to the relevant Liquidation Group, excluding any Non-Affected BCM Contributions of the CM Affected Clearing Member, and (ii) any remainder of the Non-Affected FCM Contributions of all FCM Clearing Members that are not FCM Non-Bidding Participants with respect to the relevant Liquidation Group; the Applicable CM/FCM Remainder Amounts of all Clearing Members, Clearing Agents and FCM Clearing Members.~~

“**Applicable CM/FCM Remainder Amount**” with respect to this Paragraph (10) means the available Non-Affected CM Contribution, Non-Affected BCM Contribution or Non-Affected FCM Contribution of the relevant Clearing Member, Clearing Agent or FCM Clearing Member which may be realised under this Paragraph (10) and which will be determined as the product of (A) the ratio of (AA) the Remainder Amount of the relevant Clearing Member, Clearing Agent or FCM Clearing Member and (BB) the aggregate of all Remainder Amounts of all Clearing Members, Clearing Agents and FCM Clearing Members and (B) the Default Fund Secured Claims which have not been discharged. The Applicable CM/FCM Remainder Amount cannot exceed the Remainder Amount of the relevant Clearing Member, Clearing Agent or FCM Clearing Member.

“**Remainder Amount**” with respect to this Paragraph (10) means with respect to the relevant Clearing Member, Clearing Agent or FCM Clearing Member, the aggregate of

(I) all remainders of Non-Affected CM Contribution, Non-Affected BCM Contribution or Non-Affected FCM Contribution of the relevant Clearing Member, Clearing Agent or FCM Clearing Member under all Relevant Liquidation Groups which have been determined but have not been realised pursuant to Paragraph (9), and

(II) all Non-Affected CM Contribution, Non-Affected BCM Contribution or Non-Affected FCM Contribution of the relevant Clearing Member, Clearing Agent or FCM Clearing Member relating to any other Liquidation Group which is not a Relevant Liquidation Group.

Eurex Clearing AG will allocate all Applicable CM/FCM Remainder Amount of all Clearing Members, Clearing Agents and FCM Clearing Members to all Relevant

Liquidation Groups, with respect to which not all losses have been discharged under Paragraph (9), on a pro-rata basis.

(11) Seniorised Hedging Contributions

Eleventh, Eurex Clearing AG will, with respect to the losses arising from a Relevant Liquidation Group, realise the applicable Liquidation Group Ratio of

- (i) the Non-Affected CM Contributions and the Non-Affected BCM Contributions of all Clearing Members and Clearing Agents that are Winning Hedging Auction Participants with respect to the relevant Liquidation Group (Seniorised Hedging Contributions), and
- (ii) the Non-Affected FCM Contributions of all FCM Clearing Members that are Winning Hedging Auction Participants with respect to the relevant Liquidation Group (Seniorised Hedging Contributions).

“Liquidation Group Ratio” with respect to this Paragraph (11) means the fraction of the available Non-Affected CM Contributions, Non-Affected BCM Contributions or Non-Affected FCM Contributions which may be realised with respect to the Relevant Liquidation Group under this Paragraph (11) and which will be determined as follows:

- (I) in the case of Non-Affected CM Contribution of a Clearing Member, the product of (A) the ratio of (AA) the part of the CM Contribution Requirement of the relevant Clearing Member applicable to such Relevant Liquidation Group and (BB) the CM Contribution Requirement of the relevant Clearing Member and (B) the Winning Hedging Auction Ratio with respect to the Relevant Liquidation Group,
- (II) in case of Non-Affected BCM Contribution of a Clearing Agent, the product of (A) the ratio of (AA) the part of the BCM Contribution Requirement relating to the relevant Basic Clearing Member applicable to such Relevant Liquidation Group and (BB) the BCM Contribution Requirement relating to the relevant Basic Clearing Member and (B) the Winning Hedging Auction Ratio with respect to the Relevant Liquidation Group, or
- (III) in the case of Non-Affected FCM Contribution, the product of (A) the ratio of (AA) the part of the FCM Contribution Requirement of the relevant FCM Clearing Member applicable to such Relevant Liquidation Group and (BB) the FCM Contribution Requirement of the relevant FCM Clearing Member and (B) the Winning Hedging Auction Ratio with respect to the Relevant Liquidation Group.

(12) Remainder of Seniorised Hedging Contributions

Twelfth, Eurex Clearing AG will realise the Applicable CM/FCM Remainder Amounts of all Clearing Members, Clearing Agents and FCM Clearing Members that are Winning Hedging Auction Participants.

“Applicable CM/FCM Remainder Amount” with respect to this Paragraph (12) means the available Non-Affected CM Contribution, Non-Affected BCM Contribution or Non-Affected FCM Contribution of the relevant Clearing Member, Clearing Agent or FCM Clearing Member which may be realised under Paragraph (12) and which will be determined as the product of (A) the ratio of (AA) the Remainder Amount of the relevant Clearing Member, Clearing Agent or FCM Clearing Member and (BB) the aggregate of all Remainder Amounts of all Clearing Members, Clearing Agents and FCM Clearing Members and (B) the Default Fund Secured Claims which have not been discharged. The Applicable CM/FCM Remainder Amount cannot exceed the Remainder Amount of the relevant Clearing Member, Clearing Agent or FCM Clearing Member.

“Remainder Amount” with respect to this Paragraph (12) means with respect to the relevant Clearing Member, Clearing Agent or FCM Clearing Member, the aggregate of all remainders of Non-Affected CM Contribution, Non-Affected BCM Contribution or Non-Affected FCM Contribution of the relevant Clearing Member, Clearing Agent or FCM Clearing Member under all Relevant Liquidation Groups which have been determined but have not been realised pursuant to Paragraph (11).

Eurex Clearing AG will allocate all Applicable CM/FCM Remainder Amounts of all Clearing Members, Clearing Agents and FCM Clearing Members to all Relevant Liquidation Groups, with respect to which not all losses have been discharged under Paragraph (11), on a pro-rata basis.

(13) Further Contributions of non-bidding auction participants

~~eleventh~~ **Thirteenth**, Eurex Clearing AG will, with respect to the losses arising from a Relevant Liquidation Group, realise the applicable Liquidation Group Ratio of

- (i) the CM Further Contributions and Non-Affected BCM Further Contributions of all Clearing Members and Clearing Agents that are CM Non-Bidding Participants with respect to at least one DM Auction in the Relevant Liquidation Group and
- (ii) the FCM Further Contributions of all FCM Clearing Members that are FCM Non-Bidding Participants with respect to at least one DM Auction in the Relevant Liquidation Group;

“Liquidation Group Ratio” with respect to this Paragraph (13) means the fraction of the available CM Further Contribution, Non-Affected BCM Further Contribution and FCM Further Contribution which may be realised with respect to the Relevant Liquidation Group under this Paragraph (13) and which will be determined as follows:

- (I) in the case of CM Further Contribution, the ratio of (A) the part of the requirement to provide CM Further Contributions of the relevant Clearing Member applicable to such Relevant Liquidation Group and (B) the aggregate requirement to provide CM Further Contributions of the relevant Clearing Member.

(II) in the case of Non-Affected BCM Further Contribution, the ratio of (A) the part of the requirement to provide Non-Affected BCM Further Contributions relating to the relevant Basic Clearing Member applicable to such Relevant Liquidation Group and (B) the aggregate requirement to provide Non-Affected BCM Further Contributions relating to the relevant Basic Clearing Member, and

(III) in the case of FCM Further Contribution, the ratio of (A) the part of the requirement to provide FCM Further Contributions of the relevant FCM Clearing Member applicable to such Relevant Liquidation Group and (B) the requirement to provide FCM Further Contributions of the relevant FCM Clearing Member, and

(142) Further Contributions of Clearing Members and FCM Clearing Members that are not non-bidding auction participants

twelfth~~fourteenth~~, Eurex Clearing AG will, with respect to the losses arising from a Relevant Liquidation Group, realise the applicable Liquidation Group Ratio of

- (i) the CM Further Contributions and the Non-Affected BCM Further Contributions of all Clearing Members that are not CM Non-Bidding Participants with respect to the Rrelevant Liquidation Group,
- (ii) the FCM Further Contributions of all FCM Clearing Members that are not FCM Non-Bidding Participants with respect to the Rrelevant Liquidation Group and
- (iii) the Further Dedicated Amount;

Eurex Clearing AG shall realise the applicable Liquidation Group Ratio of ~~(i)~~

(a) the CM Further Contributions and the Non-Affected BCM Further Contributions of all Clearing Members that are not Non-Bidding Participants,
~~(ii)~~

(b) the FCM Further Contributions of all Clearing Members that are not Non-Bidding Participants and ~~(iii)~~

(c) the Further Dedicated Amount

on a pro rata basis; ~~the~~.

The sum of all Further Dedicated Amounts with respect to all Liquidation Groups shall not exceed the amount of EUR 300,000,000.

“Liquidation Group Ratio” with respect to this Paragraph (14) means the fraction of the available CM Further Contribution, Non-Affected BCM Further Contribution, FCM Further Contribution and Further Dedicated Amount which may be realised with respect to the Relevant Liquidation Group under Paragraph (14) and which will be determined as follows:

- (I) in the case of CM Further Contribution, the ratio of (A) the part of the requirement to provide CM Further Contributions of the relevant Clearing Member applicable to such Relevant Liquidation Group and (B) the aggregate requirement to provide CM Further Contributions of the relevant Clearing Member,
- (II) in the case of Non-Affected BCM Further Contribution, the ratio of (A) the part of the requirement to provide Non-Affected BCM Further Contributions relating to the relevant Basic Clearing Member applicable to such Relevant Liquidation Group and (B) the aggregate requirement to provide Non-Affected BCM Further Contributions relating to the relevant Basic Clearing Member, and
- (III) in the case of FCM Further Contribution, the ratio of (A) the part of the requirement to provide FCM Further Contributions of the relevant FCM Clearing Member applicable to such Relevant Liquidation Group and (B) the requirement to provide FCM Further Contributions of the relevant FCM Clearing Member,
- (IV) in the case of the Further Dedicated Amount, the product of (a) the applicable Liquidation Group Ratio determined with respect to the Dedicated Amount pursuant to Paragraph (5) above and (b) the ratio of (A) the sum of all Further Contributions, which have actually been delivered to Eurex Clearing AG with respect to the Relevant Liquidation Group and (B) the sum of all Further Contributions that Eurex Clearing AG is entitled to require with respect to the Relevant Liquidation Group up to the relevant Liability Cap.

~~“**Relevant Liquidation Group**” means each Liquidation Group (as defined in Number 7.5.1) to which Terminated Transactions (as defined in Number 7.5) belong.~~

~~With respect to each Relevant Liquidation Group, the term “**Liquidation Group Ratio**” means the fraction of the amount which may be realised, in each case, under Paragraph (1)–(12) which is to be determined as follows:~~

- (i) ~~with respect to Paragraph (1), (I) in the case of an Affected CM Contribution, the ratio of (A) the part of the CM Contribution Requirement of the CM Affected Clearing Member applicable to such Relevant Liquidation Group and (B) the aggregate CM Contribution Requirement of the CM Affected Clearing Member, (II) in the case of an Affected BCM Contribution, the ratio of (A) the part of the BCM Contribution Requirement relating to the Affected BCM applicable to such Relevant Liquidation Group and (B) the aggregate BCM Contribution Requirement relating to the Affected BCM and (III) in the case of an Affected FCM Contribution, the ratio of (A) the part of the FCM Contribution Requirement of the Affected FCM Clearing Member applicable to such Relevant Liquidation Group and (B) the aggregate FCM Contribution Requirement of the Affected FCM Clearing Member;~~
- (ii) ~~with respect to Paragraph (2), (I) in the case of an Affected CM Contribution, the ratio of (A) the part of the CM Contribution Requirement of the CM Affected Clearing Member applicable to such Relevant Liquidation Group and (B) the~~

~~aggregate CM Contribution Requirement of the CM Affected Clearing Member, (II) in the case of an Affected BCM Contribution, the ratio of (A) the part of the BCM Contribution Requirement relating to the Affected BCM applicable to such Relevant Liquidation Group and (B) the aggregate BCM Contribution Requirement relating to the Affected BCM and (III) in the case of an Affected FCM Contribution, the ratio of (A) the part of the FCM Contribution Requirement of the Affected FCM Clearing Member applicable to such Relevant Liquidation Group and (B) the aggregate FCM Contribution Requirement of the Affected FCM Clearing Member, (in each case of (I), (II) and (III), not taking into account Relevant Liquidation Groups in respect of which the relevant claims have already been discharged pursuant to Paragraph (1));~~

- ~~(iii) with respect to Paragraph (3), the ratio of (A) the part of the requirement to provide Affected BCM Further Contributions applicable to such Relevant Liquidation Group and (B) the aggregate requirement to provide Affected BCM Further Contributions;~~
- ~~(iv) with respect to Paragraph (4), the ratio of (A) the part of the requirement to provide Affected BCM Further Contributions applicable to such Relevant Liquidation Group and (B) the aggregate requirement to provide Affected BCM Further Contributions (not taking into account Relevant Liquidation Groups in respect of which the relevant claims have already been discharged pursuant to the respective preceding Paragraphs);~~
- ~~(v) with respect to Paragraph (5), the ratio of (A) the part of the sum of the Initial Margin requirement (under the Clearing Conditions and the FCM Regulations) and the Additional Margin requirement determined for such Relevant Liquidation Group and (B) the sum of the Initial Margin requirement (under the Clearing Conditions and the FCM Regulations) and the Additional Margin requirement determined for all Relevant Liquidation Groups;~~
- ~~(vi) with respect to Paragraph (6), the ratio of (A) the part of the sum of the Initial Margin requirement (under the Clearing Conditions and the FCM Regulations) and the Additional Margin requirement determined for such Relevant Liquidation Group and (B) the sum of the Initial Margin requirement (under the Clearing Conditions and the FCM Regulations) and the Additional Margin requirement determined for all Relevant Liquidation Groups (not taking into account Relevant Liquidation Groups in respect of which the relevant claims have already been discharged pursuant to the respective preceding Paragraphs);~~
- ~~(vii) with respect to Paragraphs (7) and (9), (I) in the case of a Non-Affected CM Contribution, the ratio of (A) the part of the CM Contribution Requirement of the relevant Clearing Member applicable to such Relevant Liquidation Group and (B) the aggregate CM Contribution Requirement of the relevant Clearing Member, (II) in the case of a Non-Affected BCM Contribution, the ratio of (A) the part of the BCM Contribution Requirement relating to the relevant Basic Clearing Member applicable to such Relevant Liquidation Group and (B) the aggregate BCM Contribution Requirement relating the relevant Basic Clearing~~

~~Member and (III) in the case of a Non-Affected FCM Contribution, the ratio of (A) the part of the FCM Contribution Requirement of the relevant FCM Clearing Member applicable to such Relevant Liquidation Group and (B) the aggregate FCM Contribution Requirement of the relevant FCM Clearing Member;~~

~~(viii) with respect to Paragraphs (8) and (10), (I) in the case of a Non-Affected CM Contribution, the ratio of (A) the part of the CM Contribution Requirement of the relevant Clearing Member applicable to such Relevant Liquidation Group and (B) the aggregate CM Contribution Requirement of the relevant Clearing Member, (II) in the case of a Non-Affected BCM Contribution, the ratio of (A) the part of the BCM Contribution Requirement relating to the relevant Basic Clearing Member applicable to such Relevant Liquidation Group and (B) the aggregate BCM Contribution Requirement relating to the relevant Basic Clearing Member and (III) in the case of a Non-Affected FCM Contribution, the ratio of (A) the part of the FCM Contribution Requirement of the relevant FCM Clearing Member applicable to such Relevant Liquidation Group and (B) the aggregate FCM Contribution Requirement of the relevant FCM Clearing Member~~

~~(in each case of (I), (II) and (III) above, not taking into account Relevant Liquidation Groups in respect of which the relevant claims have already been discharged pursuant to the respective preceding Paragraphs); and~~

~~(ix) with respect to Paragraphs (11) and (12), (I) in the case of a CM Further Contribution, the ratio of (A) the part of the requirement to provide CM Further Contributions of the relevant Clearing Member applicable to such Relevant Liquidation Group and (B) the aggregate requirement to provide CM Further Contributions of the relevant Clearing Member, (II) in the case of a Non-Affected BCM Further Contribution, the ratio of (A) the part of the requirement to provide Non-Affected BCM Further Contributions relating to the relevant Basic Clearing Member applicable to such Relevant Liquidation Group and (B) the aggregate requirement to provide Non-Affected BCM Further Contributions relating to the relevant Basic Clearing Member, (III) in the case of an FCM Further Contribution, the ratio of (A) the part of the requirement to provide FCM Further Contributions of the relevant FCM Clearing Member applicable to such Relevant Liquidation Group and (B) the requirement to provide FCM Further Contributions of the relevant FCM Clearing Member and (IV) in the case of the Further Dedicated Amount (referred to in Paragraph (12)), the product of (a) the applicable Liquidation Group Ratio determined with respect to the Dedicated Amount pursuant to Paragraph (v) above and (b) the ratio of (A) the sum of all Further Contributions, which have actually been delivered to Eurex Clearing AG with respect to the Relevant Liquidation Group and (B) the sum of all Further Contributions that Eurex Clearing AG is entitled to require with respect to the Relevant Liquidation Group up to the relevant Liability Cap.~~

6.2.2 Further requirements with respect to the order of priority

In addition, Eurex Clearing AG considers the following additional requirements when determining the order of priority in accordance with this Number 6.2.1:

(a) With respect to the realisation of the Contributions and the Dedicated Amount under Paragraphs (1), (2), (3), (4), (5), (6), (7), (9), (11), (13) and (14), the order of priority shall be applied to all Relevant Liquidation Groups simultaneously before, in each case, the respective next paragraph is applied.

(b) If/Where, in case of Paragraphs (7), (9), (11), (13) and ~~to (14)~~, with respect to a Relevant Liquidation Group the available

(i) Non-Affected CM Contributions (or CM Further Contributions),

(ii) the Non-Affected BCM Contributions (or Non-Affected BCM Further Contributions), or

(iii) the Non-Affected FCM Contributions (or FCM Further Contributions) and

(iv) the Juniorised Hedging Contributions or Seniorised Hedging Contributions

of several Clearing Members, Clearing Agents or FCM Clearing Members exceeds ~~are still available~~ and the amount needed to discharge the claims in respect of losses arising from the Relevant Liquidation Group, ~~is lower than such available Non-Affected CM Contributions (and CM Further Contributions), Non-Affected BCM Contributions (and Non-Affected BCM Further Contributions) and Non-Affected FCM Contributions (or FCM Further Contributions), with respect to each such Clearing Member or FCM Clearing Member (with respect to Paragraphs (7) and (8) and Paragraph (11) limited to CM Non-Bidding Participants and FCM Non-Bidding Participants).~~ Eurex Clearing AG shall distribute the losses to the relevant Clearing Members, Clearing Agents and FCM Clearing Members on a pro-rata basis ~~only the Non-Affected Ratio shall be realised under the relevant Paragraph.~~

The “**Non-Affected Ratio**” with respect to a Non-Affected CM Contribution (or CM Further Contribution), Non-Affected BCM Contribution (or Non-Affected BCM Further Contribution) or Non-Affected FCM Contribution (or FCM Further Contribution) shall be the ratio of (A) the available Non-Affected CM Contribution (or CM Further Contribution), Non-Affected BCM Contribution (or Non-Affected BCM Further Contribution) or Non-Affected FCM Contribution (or FCM Further Contribution), relating to the relevant Clearing Member, Basic Clearing Member or FCM Clearing Member, as applicable, with respect to the Relevant Liquidation Group and (B) all ~~available Non-Affected CM Contributions (or CM Further Contributions), Non-Affected BCM Contributions (or Non-Affected BCM Further Contributions) or Non-Affected FCM Contributions (or FCM Further Contributions)~~ of all Clearing Members and FCM Clearing Members (with respect to Paragraphs (7) and (8) and Paragraph (11) limited to CM Non-Bidding Participants and FCM Non-Bidding Participants) with respect to the Relevant Liquidation Group.