

**Eurex Clearing AG**  
**ECAG Rule Certification 073-19**  
**July 19, 2019**

1. The text of the proposed amendments to the Clearing Conditions (“Clearing Conditions”) of Eurex Clearing AG (“Eurex Clearing”) and Price List (“Price List”) of Eurex Clearing is appended as Attachment A. Any additions are underlined and any deletions are struck through.
2. The date of intended implementation is August 12, 2019.
3. Attached please find a certification that: (1) these amendments comply with the Commodity Exchange Act (the “Act”), and the Commission’s regulations thereunder; and (2) concurrent with the filing of this submission, Eurex Clearing is posting a copy of this filing to its website at: <http://www.eurexclearing.com/clearing-en/resources/cftc-dco-filing>.
4. A concise explanation and analysis of the operation, purpose, and effect of the amended rule appears below.
5. There were no opposing views expressed regarding these amended rules.
6. Confidential treatment is not requested.

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CONCISE EXPLANATION AND ANALYSIS OF THE OPERATION, PURPOSE, AND EFFECT OF THE PROPOSED RULE AND ITS COMPLIANCE WITH APPLICABLE PROVISIONS OF THE ACT, INCLUDING CORE PRINCIPLES AND THE COMMISSION’S REGULATIONS THEREUNDER

Eurex Clearing is proposing the following amendments to Chapter I (General Provisions) and Chapter IV (Clearing of Repo Transactions) of the Clearing Conditions as well as the Price List related to the introduction of the new “GC Pooling Cheapest-to-Deliver (CTD) Basket” containing deliverable Bonds for Fixed Income Futures Expiries. Clearing members trading fixed income futures contracts can be fined with high penalties for late delivery of their futures obligations. To avoid late delivery fines, clearing members may warehouse their CTD instruments prior to the future expiry date, financed through their internal treasury departments and thus leading to high financing costs. In contrast to all other GC Pooling Baskets, the allocated collateral out of GC Pooling CTD Basket Transactions is exempted from the Reuse possibility for other GC Pooling Transactions, the pledge possibility towards Bundesbank or Banque Centrale du Luxembourg, and the Resue possibility for the collateralization of Eurex Clearing’s margin requirements. This contributes to the availability of the collateral upon settlement of the term leg.

For avoidance of doubt, Eurex Clearing clears repo transactions outside of its DCO license, which applies only to swaps.

Further information regarding the operation, purpose, and effect of the proposed amendments is discussed in the attached Eurex Clearing Circular 073/19, which is appended as Attachment A.

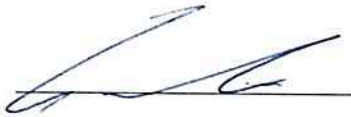
Eurex Clearing has identified the following derivatives clearing organization (“DCO”) Core Principle as potentially being relevant to the above amendments:

1. DCO Core Principle C (Participant and Product Eligibility): The proposed amendments will comply with DCO Core Principle C because the amendments provide increased optionality for repo transactions, which are cleared outside of Eurex Clearing’s DCO license, and Eurex Clearing will continue to comply with this Core Principle for all products cleared under its DCO license.

CERTIFICATIONS PURSUANT TO SECTION 5c OF THE COMMODITY EXCHANGE ACT, 7  
U.S.C. §7a-2 AND COMMODITY FUTURES TRADING COMMISSION RULE 40.6, 17 C.F.R. §40.6

I hereby certify that:

- (1) the amendments comply with the Commodity Exchange Act, and the Commission's regulations thereunder; and
- (2) concurrent with the filing of this submission, Eurex Clearing is posting a copy of this filing to its website at: <http://www.eurexclearing.com/clearing-en/resources/cftc-dco-filing>.



By: Eric Seinsheimer

Title: US Compliance Officer, Eurex Clearing AG

Dated: July 19, 2019