

Chapter IV of the Clearing Conditions of Eurex Clearing AG

Clearing of Repo Transactions

As of 24.10.2022

AMENDMENTS ARE MARKED AS FOLLOWS:

INSERTIONS ARE UNDERLINED,

DELETIONS ARE CROSSED OUT.

[...]

Part 1 General Provisions

- (1) If and to the extent that the Clearing of Transactions concluded through the System of Eurex Repo GmbH (Part 2 Number 2.1) has been agreed upon between Eurex Clearing AG and Eurex Repo GmbH (in the following “**Eurex Repo Transactions**”) or the Clearing of Transactions concluded through the systems of another multilateral trading facility (in the following “**Original MTF Repo Transactions**”) has been agreed upon between Eurex Clearing AG and the respective multilateral trading facility or other, equivalent arrangements have been made, the provisions set forth in Chapter I shall also apply to the Clearing of Eurex Repo Transactions and Original MTF Repo Transactions, to the extent that the following rules do not provide otherwise.

Any Original MTF Repo Transaction which has been novated in accordance with Part 2 Number 2.1.2 and any Eurex Repo Transaction shall hereinafter be referred as a “**Repo Transaction**”.

- (2) The Clearing Conditions incorporate by reference the Terms and Conditions for Participation and Trading on Eurex Repo GmbH (*Geschäftsbedingungen für die Teilnahme und den Handel an der Eurex Repo GmbH*) (“**GTCs of Eurex Repo GmbH**”) with respect to the Clearing of Transactions concluded on Eurex Repo GmbH pursuant to this Chapter IV in their German version and as amended from time to time. Terms used in this Chapter IV and not otherwise defined herein shall have the meaning given to them in the GTCs of Eurex Repo GmbH.
- (3) The information statement in Annex 12 in accordance with Article 15 of the Regulation on transparency of securities financing transactions and of reuse (Regulation (EU) 2015/2365) is applicable to Eurex Clearing AG and holders of a Clearing License or ISA Direct Light License for Repo and GC Pooling Repo Transactions which are cleared by Eurex Clearing AG and which contain a collateral transfer by way of a title transfer collateral arrangement.

- (4) Unless provided otherwise in this Chapter IV, references in this Chapter IV to ISA Direct Clearing Members and Clearing Agents shall include ISA Direct Indemnified Clearing Members and Indemnifying Clearing Agents, respectively.

1.1 Clearing Licenses

1.1.1 Granting of Clearing Licenses

A Clearing License or ISA Direct Clearing License is required in order to participate in the Clearing of Repo Transactions; Eurex Clearing AG shall grant such Clearing License or ISA Direct Clearing License upon written application.

1.1.2 Prerequisites for Clearing Licenses

- (1) With regard to the prerequisites to be fulfilled within the scope of granting the Clearing License, Chapter I Part 1 Numbers 2.1.1 to 2.1.3 apply. With regard to the prerequisites to be fulfilled within the scope of granting of the ISA Direct Clearing License, Chapter I Part 6 Subpart A Numbers 2.1.1 and 2.1.2 (and, if the ISA Direct Clearing License shall be granted as an ISA Direct Indemnified Clearing License, Chapter I Part 6 Subpart B Number 1) apply.
- (2) The applicant shall meet the following additional requirements (and shall comply with such requirements for as long as it holds the relevant Clearing License or ISA Direct Clearing License, as applicable):
- (a) if the applicant intends to clear GC Pooling repo transactions with Eurex Clearing AG (each a “**GC Pooling Repo Transaction**”),

- (aa) evidence of the participation admission (including, where relevant, evidence of the entering into the related documentation) and technical connection to ~~the collateral management system Xomac of Clearstream Banking AG (“Xomac”),~~ the collateral management system CmaX of Clearstream Banking S.A. (“**CmaX**”) ~~and/or~~ any other triparty collateral management system or triparty collateral manager as Eurex Clearing AG may from time to time reasonably require, subject to Number 1.4 below (each of CmaX or such other triparty collateral management system or other triparty collateral manager, a “**TPCM**”).

When taking the decision to require the Clearing Member or ISA Direct Clearing Member to participate in another TPCM, Eurex Clearing AG shall take taking into account the interests of Eurex Clearing AG under the Clearing Conditions, developments in the market infrastructure and the collateral management offering, as well as the interests of the Clearing Members and ISA Direct Clearing Members, and, in respect of any such requirement affecting a Clearing Member or ISA Direct Clearing Member already holding a Clearing License or ISA Direct Clearing License for purposes of this Chapter IV, the interests of such Clearing Members or ISA Direct Clearing Members, subject to Number 1.5 below (each of Xomac,

~~CmaX or such other triparty collateral management system or other triparty collateral manager, a “TPCM”).~~

Evidence of participation in a TPCM can be provided i.e. (i) either via own participation authorisation in Xemac, CmaX or the relevant other TPCM, (ii) via a respective agreement with another settlement institution which is authorised to participate in Xemac, CmaX or the relevant other TPCM, or (iii) in case of ISA Direct Clearing Members ~~only~~, via their Clearing Agent, ~~and~~

(bb) if Eurex Clearing AG required a GC Pooling USD Cash Margin Contribution from the applicant in accordance with Chapter I Part 2 Subpart B Number 5.3, compliance with the applicable GC Pooling USD Cash Margin Contribution requirement, and

(cc) an obligation to grant authorisation within the meaning of Chapter I Part 1 Number 1.4.2 Paragraph (2) of the Clearing Conditions also exists with respect to the substitution of securities (“**Substitution**”) assigned in connection with a GC Pooling Repo Transaction.

~~(3) The applicant shall — insofar as it intends to use the Gross Delivery Management service (Chapter I Part 1 Number 1.4.2 Paragraph (9) and Number 1.3.1 Paragraph (1) (b) — (e)) also optionally offered by Eurex Clearing AG vis-à-vis Clearing Members, ISA Direct Clearing Members and settlement institutions (Chapter I Part 1 Number 2.1.2 Paragraph (7)) in connection with the implementation of the Clearing of Repo Transactions — provide evidence of a technical and functional connection to the respective interface of the technical systems used by Eurex Clearing AG pursuant to the specifications set forth by Eurex Clearing AG.~~

1.2 Provision of Margin

(1) In connection with GC Pooling Repo Transactions, the determination of the margin requirement (including the Additional Margin), with regard to the securities assigned within the scope of the Front Leg, also in case of cross-border collateral provision, will be calculated directly by Xemac, CmaX or the relevant other TPCM.

(i) During the calculation, Xemac, CmaX or such other TPCM will, according to the provisions of the Special Conditions for Collateral Management of Clearstream Banking AG relating to Xemac (“**SC Xemac**”), the relevant Collateral Management Service Agreement relating to CmaX (“**CMSA**”) or the rules of the relevant other TPCM, respectively, consider the respective currency in which the underlying transaction has been concluded.

(ii) ~~Also, the securities to be delivered as Eligible Margin Assets with respect to admissible as securities serving as collateral in connection with the delivery of GC Pooling Repo Transactions will be determined by Xemac on the basis of the~~

~~SC XemaC, by CmaX on the basis of the relevant CMSA and by the relevant other TPCM on the basis of its relevant rules or the relevant arrangements with such TPCM, as applicable. Other than described in Sentence 1~~

(iii) ~~—~~ Eurex Clearing AG may demand that, in excess of the margin requirement calculated ~~by XemaC, by CmaX~~ or by the relevant other TPCM, Additional Margin has to be provided in accordance with the calculation method published pursuant to Chapter I Part 1 Number 3.1.37.

The possibility of requiring additional Margin pursuant to Chapter I Part 1 Number 3.3 together with Chapter I Part 2 Subpart A Number 4.2 or additional ISA Direct Margin in accordance with Chapter I Part 6 Subpart A Number 7.3, in particular for collateralisation of exchange rate risks in case of foreign currency transactions, remains unaffected.

This in particular applies for the collateralisation of exchange rate risks in case of foreign currency transactions and as well for the delivery of securities as ~~Eligible Margin Assets collateral~~ which qualify as own issues in the meaning of the GTC's of Eurex Repo GmbH in relation to the Clearing Member or ISA Direct Clearing Member. With regard to securities which become own issues during the term of the Transaction, this provision applies also. The Clearing Members or ISA Direct Clearing Members are obliged to refrain from provisioning of such own securities as collateral.

~~For the provision respectively collection of Margin, the provisions of Chapter I Part 1 Number 3.2 together with Part 2 Subpart A Number 4, Subpart B Number 5 and Subpart C Number 6 or Part 4 Number 6 or, in case of ISA Direct Margin, Chapter I Part 6 Subpart A Number 7 (as relevant, in conjunction with Subpart B) apply.~~

(2) With regard to GC Pooling Equity-Repo ~~T~~ transactions, Eurex Clearing AG shall ~~in deviation from Paragraph (1) Sentence 3 — define~~ determine with respect to each Securities Basket a list of securities forming part of the relevant Securities Basket, ~~equities included in the DAX®, EURO STOXX 50®, AEX® and CAC 40® which shall be~~ eligible as Eligible Margin Assets ~~securities serving as collateral~~ (“**Eligible Margin Assets List**”) and shall review and update ~~the Eligible Margin Assets List~~ if necessary ~~such list~~ on a daily basis.

~~When determining the Eligible Margin Assets List, Eurex Clearing AG The equities are admitted to this list in accordance with~~ considers a catalogue of criteria which ~~takes into~~ taking into account the turnover volumes and risk aspects. Irrespective of the regular review, Eurex Clearing AG shall — due to risk management reasons — be entitled ~~at any time~~ to exclude individual securities from the ~~Eligible Margin Assets List at any time~~ ~~eligibility list. The All applicable effective eligibility~~ Eligible Margin Assets Lists ~~list~~ will be made available ~~in XemaC, in CmaX~~ in CmaX or in or via the relevant other TPCM on a daily basis.

~~Regarding the selection of securities serving as collateral to be transferred from the~~
With respect to the GC Pooling Equity Basket, the following additional provisions shall be applicable:

~~(i) Eurex Clearing AG will determine specific concentration limits, which of Eurex Clearing AG shall apply and will be made publicly available in Xetra, CmaX or in or via the relevant other TPCM.~~

~~(ii) If To the extent a the Clearing Member or ISA Direct Clearing Member which has available an~~
does not have the sufficient amount required number of eligible securities serving as collateral available for the GC Pooling Equity Basket, the Clearing Member or ISA Direct Clearing Member shall be entitled to deliver securities forming part of the Eligible Margin Assets Lists relating to the GC Pooling ECB Basket. In such case, the settlement – is instead allowed to transfer ownership of securities eligible for the GC Pooling ECB Basket, the rules applicable for for settlement of GC Pooling Repo Transactions relating to the GC Pooling ECB Basket Repo transactions shall apply to such securities serving as collateral.

(3) In addition to the provisions of Paragraph (1) and (2), the provisions of Chapter I Part 1 Number 3 together with Part 2 Subpart A Number 4, Subpart B Number 5 and Subpart C Number 6 or Part 4 Number 6 and Chapter I Part 6 Subpart A Number 7 (as relevant, in conjunction with Subpart B) shall apply with regard to the basic principles of the margin requirement and – unless aforementioned paragraphs state otherwise – the obligation to provide margin.

The provisions of Paragraph (1) Sentence 4 – 10 apply to Special and GC Repo accordingly. In the case securities collateral are qualified as own issues after the settlement of the Front Leg, Eurex Clearing may apply an adequate haircut to cover a higher liquidation risk for Eurex Clearing AG. No automatic substitution is processed.

1.3 **Set-off Procedure of Cash Claims**

For the avoidance of doubt, a set-off of claims in accordance with Chapter I Part 1 Number 1.3 shall also be possible between claims resulting out of Eurex Repo Transactions and Original MTF Repo Transactions.

[...]

1.5 **Changes to Settlement or Collateral Management Infrastructure**

[...]

(8) Without prejudice to the provisions of Paragraphs (2) to (7) of this Number 1.5, the following applies:

(a) As of a date (which will be a Monday) that will be notified reasonably in advance by Eurex Clearing AG to the Clearing Members and ISA Direct Clearing

Members (and their Clearing Agents) (the “**GC Pooling Migration Date**”), (i) the Collateral Management System Xemac of Clearstream Banking AG (“Xemac”) will no longer be available as a Settlement Location or TPCM for purposes of this Chapter IV and (ii) the relevant Settlement Location and TPCM services for Xemac customers will be offered under the collateral management system CmaX solely by Clearstream Banking S.A. (except that certain accounts for the participation in CmaX services may be held with Clearstream Banking AG). Eurex Clearing AG will also notify the Clearing Members and ISA Direct Clearing Members (and their Clearing Agents) of the Final Implementation Date relating to the GC Pooling Migration Date.

[...]

Part 2 Clearing of Repo Transactions

2.1 Repo Transactions

- (1) A Repo Transaction is a purchase/sale of securities and their simultaneous forward re-purchase/re-sale and the payment of an interest (“Repo Interest”). Thus, such transaction is a combination of a purchase agreement (“**Front Leg**”) with simultaneous re-purchase agreement (“**Term Leg**”) of securities of the same type and category at a certain point in time.

[...]

2.1.1 Inclusion of Eurex Repo Transactions into Clearing by Open Offer or by Novation

- (1) Eurex Clearing AG shall determine in consultation with Eurex Repo GmbH which kind of Eurex Repo Transactions or securities underlying these Eurex Repo Transactions shall be included in the Clearing. Clearing Members and ISA Direct Clearing Members will be notified by Eurex Clearing AG via electronic publication in the internet exclusively, available on the Eurex Clearing Website, as regards those securities transactions that are included in the Clearing. In connection with GC Pooling Repo Transactions, the notification of included securities shall be carried out ~~in Xemac,~~ in CmaX or in the relevant other TPCM.

[...]

2.1.2 Inclusion of Original MTF Repo Transactions into Clearing by Novation

- (1) Eurex Clearing AG shall determine in consultation with the respective multilateral trading facility which kind of Original MTF Repo Transactions or securities underlying these Original MTF Repo Transactions shall be included in the Clearing. Clearing Members and ISA Direct Clearing Members will be notified by Eurex Clearing AG via electronic publication in the internet exclusively, available on the Eurex Clearing Website, as regards those securities transactions that are included in the Clearing.

In connection with GC Pooling Repo Transactions, the notification for included securities shall be carried out in Xmac, in CmaX or in the relevant other TPCM.

[...]

2.2 General Provisions

- (1) For the settlement of Repo Transactions, the provisions under Chapter I Part 1 Number 1.2.5 and 1.4 apply, unless otherwise provided in Paragraph (2).

With regard to the securities admitted ~~for~~ delivery for GC Pooling Repo Transactions, the participating Clearing Members and ISA Direct Clearing Members shall receive a report on the available assets respectively held in their depositories.

- (2) With respect to the procedure for delivery and payment resulting from Repo Transactions, the following provisions shall apply in addition to Chapter I Part 1 Number 1.2.5 and 1.4:

- (a) Purchase Agreement (Front Leg):

Under the Front Leg, all physical deliveries shall be made versus and payment (Zug-um-Zug) shall be concurrently performed between the

- (i) between the relevant Clearing Member or ISA Direct Clearing Member obliged to deliver the Securities ("Cash Taker") and Eurex Clearing AG and

- (ii) , and accordingly, between Eurex Clearing AG and the other relevant Clearing Member or ISA Direct Clearing Member which shall receive the Securities ("Cash Provider") and Eurex Clearing AG delivery

on the agreed delivery day/agreed settlement date ("Contractual Settlement Date") of the Front Leg. Physical deliveries shall be made through a Settlement Location, and payments shall be made through the corresponding account determined by such Settlement Location.

- (b) Repurchase Agreement (Term Leg):

Under the Term Leg, all physical deliveries and payments shall be made versus payment (Zug-um-Zug)

- (i) between the Cash Taker and Eurex Clearing AG, and

- (ii) between the Cash Provider and Eurex Clearing AG

concurrently performed between the Clearing Member or ISA Direct Clearing Member obliged to deliver and Eurex Clearing AG, and, accordingly, between Eurex Clearing AG and the Clearing Member or ISA Direct Clearing Member which is to receive delivery on the agreed delivery day/Contractual Settlement Date of the Term Leg. Physical deliveries shall be made through a Settlement

Location, and payments shall be made through the corresponding account determined by such Settlement Location.

(c) Physical Deliveries:

~~The transfer of Securities to be delivered under Eurex Repo Transactions shall be performed in accordance with the provisions under Chapter I Part 1 Number 1.4.2. Eurex Clearing AG shall, with respect to Securities held in collective safe custody (*Girosammelverwahrung*) delivered to it pursuant to Paragraph (2) (a) and (b), act as an intermediary of the Clearing Members or Basic/ISA Direct Clearing Members which are obliged to deliver in order to subsequently deliver such securities to the Clearing Members or ISA Direct Clearing Members which are to receive delivery. With respect to the settlement of transactions concluded by Clearing Members or ISA Direct Clearing Members, the transfer of ownership in respect of the Securities held in collective safe custody (*Girosammelverwahrung*) to be delivered will thus be performed directly between the involved Clearing Members or ISA Direct Clearing Members.~~

(d) **Delivery and payment with regard to GC Pooling Repo Transactions:**

(i) Purchase Agreement (Front Leg):

Under the Front Leg of a GC Pooling Repo Transactions, Eurex Clearing AG agreed with the Cash Taker and the Cash Provider on the payment of a specific notional amount in the relevant currency versus the transfer of a certain scope of Securities forming part of a specific Securities Basket, which shall finally be selected by CmaX or the relevant other TPCM.

Under the Front Leg, all physical deliveries shall be made versus payment (*Zug-um-Zug*)

(I) between the Cash Taker and Eurex Clearing AG and

(II) between the Cash Provider and Eurex Clearing AG

on the agreed Contractual Settlement Date of the Front Leg.

Physical deliveries shall be made through a Settlement Location, and payments shall be made through the corresponding account determined by such Settlement Location

(ii) Repurchase Agreement (Term Leg):

Under the Term Leg of a GC Pooling Repo Transactions, Eurex Clearing AG agreed with the Cash Taker and the Cash Provider on the re-payment of the specific notional amount paid under the Front Leg in the relevant currency versus the re-transfer of the relevant securities determined and reserved for such GC Pooling Repo Transaction.

Provided that the underlying Securities, which have been transferred under the Front Leg, have been substituted during the term of the GC Pooling Repo Transaction, such substituted Securities shall become the relevant underlying Securities during the term of the GC Pooling Repo Transaction.

All physical deliveries shall be made versus payment (*Zug-um-Zug*)

(I) between the Cash Taker and Eurex Clearing AG and

(II) between the Cash Provider and Eurex Clearing AG

on the agreed Contractual Settlement Date of the Term Leg.

Physical deliveries shall be made through a Settlement Location, and payments shall be made through the corresponding account determined by such Settlement Location.

(iii) Exposure Adjustment Requests

After each Settlement Date Exposure Netting pursuant to Number 2.6, Eurex Clearing AG submits the required Exposure Adjustment Requests to CmaX or the relevant other TPCM to adjust the relevant exposures and to initiate the required Securities transfer.

With respect to Same Day Repo Transactions, Settlement Date Exposure Netting does not apply, instead Eurex Clearing AG submits separate Exposure Adjustment Requests to CmaX or the relevant other TPCM.

(iv) Settlement of the Exposure Adjustment Requests

After receipt of the Exposure Adjustment Requests, CmaX or the relevant other TPCM shall adjust the relevant exposures and shall select the relevant Securities forming part of the relevant Securities Basket to be transferred.

CmaX, the relevant other TPCM or Eurex Clearing AG shall enter the required Settlement Instructions and/or Payment Instructions (if any) into the systems of the relevant Settlement Locations or payment accounts.

The transfer of Securities shall be performed in accordance with the provisions under Chapter I Part 1 Number 1.4.2.

(v) Eurex Clearing AG makes no representation, whether expressed or implied, as to the complete and timely fulfillment of obligations by CmaX or the relevant other TPCM vis-à-vis the Clearing Members or ISA Direct Clearing Members.

Eurex Clearing AG assumes no liability to the Clearing Members or ISA Direct Clearing Members for any act or failure to act by CmaX or the relevant other TPCM in connection with the delivery or Substitution of

underlying Securities and corporate actions with regard to such underlying Securities.

- ~~In case of GC Pooling Repo Transactions, the delivery instructions regarding existing delivery and payment obligations shall be given by Eurex Clearing AG on the basis of the securities to be delivered; such securities shall be selected by Xemac pursuant to the SB Xemac, by CmaX pursuant to the relevant CMSA or by the relevant other TPCM on the basis of its relevant rules, each in their current version.~~
- ~~An obligation to grant authorisation within the meaning of Chapter I Part 1 Number 1.4.2 Paragraph (2) also exists with regard to the execution of an exchange (“**substitution**”) of securities assigned in connection with a GC Pooling Repo Transaction.~~
- ~~For the procedure regarding deliveries and payments pursuant to Paragraph (1) above, the following deviating provisions apply:~~
- ~~The transfer of ownership regarding the securities to be delivered between the Clearing Members or ISA Direct Clearing Members and Eurex Clearing AG, and vice versa, shall be carried out in accordance with relevant applicable law, depending on the account relevant for such transfer, pursuant to German law or pursuant to the laws of the Grand Duchy of Luxembourg and pursuant to the additional contracts having been used as basis by the parties. The provisions of Chapter I Part 1 Number 1.4.2 Paragraph (4) and (9) apply with the proviso that the payment is settled via the account of the Clearing Member or ISA Direct Clearing Member which is determined for settlement in the currency of the underlying transaction.~~

(vi) Target Settlement Times

For the purpose of this Chapter IV, “**Target Settlement Time**” shall mean the time until which any delivery or payment incumbent on the Clearing Member or ISA Direct Clearing Member must be made available for settlement in such a way that the Clearing Member or ISA Direct Clearing Member is able to fulfil its obligations vis-à-vis Eurex Clearing AG for the relevant day of performance.

(aa) Target Settlement Times for GC Pooling Repo Transactions:

(l) With regard to GC Pooling Repo Transactions settled in Euro (“EUR”) on a Business Day other than the trade date, the Target Settlement Time shall be 10:45 hours (Frankfurt am Main time).

With regard to GC Pooling Repo Transactions, which are settled in EUR and whose trade date equals the settlement date of the Front Leg, the Target Settlement Time shall be 30 minutes after the conclusion of the GC Pooling Repo Transaction.

(II) With regard to GC Pooling Repo Transactions settled in U.S. Dollar (“**USD**”) on a Business Day other than the trade date, the Target Settlement Time shall be 15:00 hours (Frankfurt am Main time).

With regard to GC Pooling Repo Transactions, which are settled in USD and ~~with respect to which the trade date and equals the settlement date of the Front Leg are identical,~~ the Target Settlement Time shall be (i) ■ for Transactions which are concluded until 14:30 (Frankfurt am Main time) 15:00 (Frankfurt am Main time), and (ii) ■ for Transactions which are concluded after 14:30 (Frankfurt am Main time), there is a fulfilment no later than 30 minutes after the conclusion of the GC Pooling Repo Transaction.

(III) With regard to GC Pooling Repo Transactions settled in Swiss Franc (“**CHF**”) on a Business Day other than the trade date, the Target Settlement Time shall be 13:45 hours (Frankfurt am Main time).

With regard to GC Pooling Repo Transactions, which are settled in CHF and ~~with respect to which trade date and settlement date of the Front Leg are identical, whose trade date equals the settlement date of the Front Leg,~~ the Target Settlement Time shall be no later than 30 minutes after the conclusion of the GC Pooling Repo Transaction.

(IV) With regard to GC Pooling Repo Transactions settled in currencies other than EUR, USD or CHF on a Business Day other than the trade date, the Target Settlement Time shall be 11:30 hours (Frankfurt am Main time).

With regard to GC Pooling Repo Transactions, which are settled in currencies other than EUR, USD or CHF and with respect to which trade date and settlement date of the Front Leg are identical, ~~whose trade date equals the settlement date of the Front Leg,~~ the Target Settlement Time shall be no later than 30 minutes after the conclusion of the GC Pooling Repo Transaction.

(bb) Target Settlement Times for GC Pooling FL Early Settlement Repo Transactions

Eurex Clearing AG may offer the Clearing of GC Pooling Repo Transactions ~~with an earlier prior to the~~ Target Settlement Time for the Front Leg ~~than the time specified in Subparagraph (aa)~~ (“**GC Pooling FL Early Settlement Repo Transactions**”). Multilateral trading facilities may submit qualifying transactions with a special identifier

agreed between Eurex Clearing AG and the relevant multilateral trading facility to identify them as GC Pooling FL Early Settlement Repo Transactions or Eurex Clearing AG and the relevant multilateral trading facility may agree in advance to handle certain transactions as GC Pooling FL Early Settlement Transactions.

___ If the Front Leg of each GC Pooling FL Early Settlement Repo Transaction is settled in any currency on a Business Day other than the trade date, the Target Settlement Time shall be 07:30 hours (Frankfurt am Main time).

___ Except as otherwise provided in this Subparagraph (bb), ~~Part 2 Number 2.2 (2) (d) Subparagraph~~ (aa) shall apply *mutatis mutandis*.

(cc) Target Settlement Times for GC Pooling TL Early Settlement Transactions

Eurex Clearing AG may offer the Clearing of GC Pooling Repo Transactions ~~with an earlier prior to the~~ Target Settlement Time for the Term Leg ~~than the time specified in Subparagraph (aa)~~ (“**GC Pooling TL Early Settlement Transactions**”). ~~Subparagraph Part 2 Number 2.2 (2) (d) (bb)~~ shall apply *mutatis mutandis*.

(dd) Target Settlement Times for GC Pooling FLTL Early Settlement Transactions

Eurex Clearing AG may offer the Clearing of GC Pooling Repo Transactions with an earlier Target Settlement Time for both the Front Leg and the Term Leg than the time specified in Subparagraph (aa) (“**GC Pooling FLTL Early Settlement Transactions**”). ~~Subparagraph Part 2 Number 2.2 (2) (d) (bb)~~ shall apply *mutatis mutandis*.

2.3 **Daily Settlement Valuation**

- (1) For each delivery of the underlying security to the respective Eurex Repo Transaction which has not yet been performed, unrealised profits and losses will be determined daily on the basis of the current market prices and set off against the collateral provided. The amount of the collateral to be provided shall equal the difference between the price at which the transaction was concluded and the daily settlement price for such Business Day.
- (2) The daily settlement price shall be determined by Eurex Clearing AG after close of trading and notified to the Clearing Members and ISA Direct Clearing Members (or the Clearing Agent acting in the name of an ISA Direct Clearing Member).
- (3) For unfulfilled deliveries within the context of GC Pooling Repo Transactions, an evaluation of the securities to be delivered, which are selected by ~~Xemac~~, CmaX or by the relevant other TPCM pursuant to Paragraph (1) and (2), will be carried out

pursuant to Number 2.2 Paragraph (2) (d) in relation to the relevant claim in the underlying currency.

2.4 Performance

- ~~(1) A delivery obligation arising out of a Repo Transaction can only be satisfied by the respective underlying securities which — in case of GC Pooling Repo Transactions — are specifically defined by Xemac, CmaX or by the relevant other TPCM, claims from safekeeping abroad (*Gutschriften in Wertpapierrechnung*) or security credits (insofar consistently described as “**securities margin**”) which are admissible for a transaction in this currency and basket.~~
- ~~(2) Eurex Clearing AG shall deliver the securities due for delivery to the Clearing Members or ISA Direct Clearing Members entitled to delivery.~~
- ~~(3) Provided that for the fulfilment of delivery obligations of originally transferred or assigned securities margin, which have been transferred, within the context of the Term Leg of an GC Pooling Repo Transaction, have been substituted during the term of the transaction, these alternatively assigned or transferred securities margin shall apply as underlying to the Repo Transaction for the fulfilment of delivery obligations.~~
- ~~(4) Eurex Clearing AG makes no representation, whether express or implied, as to the complete and timely performance of Xemac, CmaX or relevant other TPCM vis-à-vis the Clearing Members or ISA Direct Clearing Members. Eurex Clearing AG assumes no liability to the Clearing Members or ISA Direct Clearing Members for any act or failure to act by Xemac, CmaX or relevant other TPCM in connection with the delivery or substitution of underlying securities or securities margin and corporate actions with regard to such underlying securities or securities margin.~~

2.45 Payment of Interests and Dividends, as well as other Corporate Actions (Compensation)

- ~~(1) If interests or dividends are paid with respect to on the underlying security Securities during the term of a Repo Transaction, e.g. during the Purchase Agreement and the Repurchase Agreement, Eurex Clearing AG shall arrange for the credit of the accrued amount of interests or dividends (“**Compensation Amount**”) to the relevant cash account of the Clearing Member or ISA Direct Clearing Member which has was the sellersold of the respective securities underlying Securities under the Front Leg of the relevant Repo Transaction.~~

~~_____ Besides, Eurex Clearing AG shall arrange for the debit of the relevant cash account of the Clearing Member or ISA Direct Clearing Member, which was the buyer of the underlying Securities under the Front Leg of the relevant Repo Transaction, arrange for the charge of in an amount equal to the Compensation Aamount of interests or dividends to the Clearing Member or ISA Direct Clearing Member which has purchased the respective securities.~~

The relevant cash settlement shall be made through the RTGS Accounts, the euroSIC Accounts, the accounts with Euroclear Bank S.A./N.V. in Brussels or accounts with Clearstream Banking S.A. In case of Euro-GC Pooling Repo Transactions, the ~~compensation~~ Compensation payment Amount shall be initiated via Eurex Clearing AG through ~~Xemac~~, CmaX or the relevant other TPCM.

- (2) Securities actually delivered under ~~servicing as collateral~~ in GC Pooling Repo Transactions relating to the GC Pooling Equity Basket Repo transactions shall be substituted in ~~Xemac~~, CmaX or in the relevant other TPCM by other eligible securities prior to corporate actions, dividend payments and other income events. The timely re-transfer by substitution shall remain in the sole responsibility of the Clearing Member or ISA Direct Clearing Member which has transferred the securities serving as collateral. Such Clearing Member or ISA Direct Clearing Member must take the necessary measures to enable a timely re-transfer, thus enabling such Clearing Member or ISA Direct Clearing Member to exercise or respectively perform its rights relating to the respective corporate action.

2.5 Settlement Date Netting

Eurex Clearing AG and the Clearing Member or ISA Direct Clearing Member may agree upon a netting of delivery and payment obligations arising from Repo Transactions (other than GC Pooling Repo Transactions) subject to and in accordance with the following provisions ("**Settlement Date Netting**").

2.5.1 General provisions for Settlement Date Netting

- (1) The Settlement Date Netting shall occur at the end of the Business Day immediately prior to the Contractual Settlement Date ("**Netting Date**") and relates to all Front Legs and Term Legs of Eurex Repo Transactions or MTF Repo Transactions that form part of the same Net Processing Unit.
- (2) A "**Net Processing Unit**" comprises all Front Legs and Term Legs meeting the following requirements (each a "**Netted Transaction**"):
- (a) all Netted Transactions have the same Contractual Settlement Date.
 - (b) all Netted Transactions arise from Eurex Repo Transaction or MTF Repo Transactions (for the avoidance of doubt, netting may also occur across different trading venues).
 - (c) all delivery obligations relate to shares, securities, rights or other instruments ("**Relevant Securities**"), in each case with the same ISIN (or other securities identification number).
 - (d) all payment obligations are denominated in the same currency.
 - (e) all Netted Transactions are booked into the same Transaction Account.

(f) the Clearing Member or ISA Direct Clearing Member has designated the same Settlement Location with respect to all Netted Transactions, and

(g) the Clearing Member or ISA Direct Clearing Member has designated the same securities accounts with the relevant Settlement Location to be used for performing the delivery obligations under all Netted Transactions.

The Front Leg of Repo Transactions with a trade date, which is the same as its Contractual Settlement Date ("**Same Day Repo Transactions**"), do not form part of a Net Processing Unit. Same Day Repo Transactions are settled on a gross basis.

(3) The Clearing Member or ISA Direct Clearing Member agrees with Eurex Clearing AG that the Settlement Date Netting deviates from the set-off requirements stipulated by Section 387 of the German Civil Code (*Bürgerliches Gesetzbuch*) and that the Settlement Date Netting shall occur (i) prior to the point in time when the delivery and payment obligations of the Clearing Member or ISA Direct Clearing Member towards Eurex Clearing AG become due (*Fälligkeit*) and (ii) prior to the point in time when Eurex Clearing AG can effect its delivery and payment obligations towards the Clearing Member or ISA Direct Clearing Member (*Erfüllbarkeit*). The point in time when the Settlement Date Netting becomes effective is determined under Number 2.5.2 below.

(4) Within the process of the Settlement Date Netting, Eurex Clearing AG allocates each Netted Transaction to either the Surplus Block or the Offset Block on the basis of a pre-defined and non-discretionary algorithm. The allocation of the relevant Netted Transaction to either the Offset Block or the Surplus Block is legally binding for the Clearing Member or ISA Direct Clearing Member.

"Offset Block" consists of all Netted Transactions of the same Net Processing Unit with respect to which the netting of all delivery and payment obligations arising from such Netted Transactions results in a net payment obligation only, without any delivery obligation. To further increase the netting effects, Eurex Clearing AG may split the relevant Netted Transactions.

"Surplus Block" consists of all Netted Transactions, which do not form part of the Offset Block and with respect to which the aggregation of the delivery obligations arising from such Netted Transactions results in either a sell or buy surplus.

2.5.2 Processing Methods

The Clearing Member or ISA Direct Clearing Member may select one of the following processing methods (each a "**Processing Method**") shall be applicable:

- (i) all Relevant Transactions shall be netted in accordance with Paragraph (1) ("**Settlement Date Netting**"), or
- (ii) no Settlement Date Netting shall apply in accordance with Paragraph (2) ("**Gross Processing**").

Settlement Date Netting shall be the default Processing Method. Eurex Clearing AG ensures that the relevant Processing Method specified by the Clearing Member or ISA Direct Clearing Member shall be applied in Eurex Clearing AG's systems as soon as reasonably practicable.

(1) Settlement Date Netting

If Settlement Date Netting is the applicable Processing Method, the Clearing Member or ISA Direct Clearing Member can select either (i) Dual Instruction Netting in accordance with Paragraph (a) or (ii) Single Instruction Netting in accordance with Paragraph (b) (each a "**Netting Option**").

(a) Dual Instruction Netting

(i) Under Dual Instruction Netting, the delivery and payment obligations arising from the Surplus Block and the payment obligation arising from the Offset Block are instructed separately by Eurex Clearing AG provided that no Strange Net has occurred pursuant to Paragraph (iv) below ("**Dual Instruction Netting**").

(ii) Surplus Block

(I) After the occurrence of the Settlement Date Netting, Eurex Clearing AG enters settlement instructions into the systems of the relevant Settlement Location (each a "**Settlement Instruction**") relating to the delivery and payment obligations arising from the Netted Transactions which are allocated to the Surplus Block.

(II) All delivery and payment obligations arising from the Netted Transactions which are allocated to the Surplus Block shall be deemed discharged as of the point in time when the relevant securities and cash amounts are actually debited and credited from the relevant securities and cash accounts by the relevant Settlement Location.

(III) Provided that the relevant Settlement Location supports partial deliveries and a partial delivery of Securities occurs with respect to a Settlement Instruction, Eurex Clearing AG partially allocates the delivered Securities among the Netted Transactions forming part of the Surplus Block on basis of a pre-defined and non-discretionary algorithm. Such allocation shall constitute a legally binding obligation between Eurex Clearing AG and the Clearing Member or ISA Direct Clearing Member.

The delivery and payment obligations arising from the Surplus Block shall be deemed partially discharged as of the point in time when the relevant securities and cash amounts are actually debited and credited from the relevant securities and cash accounts by the relevant Settlement Location.

(iii) Offset Block

(I) After the occurrence of the Settlement Date Netting, Eurex Clearing AG enters cash-only instructions into the systems of the relevant payment bank (each a "Payment Instruction") relating to the payment obligation arising from the Netted Transactions which are allocated to the Offset Block.

(II) All delivery and payment obligations arising from all Netted Transactions allocated to the Offset Block shall be deemed discharged as of the point in time when the relevant cash amounts are actually debited and credited from the relevant cash accounts by the relevant payment bank.

(iv) Strange Nets

In case of the following scenarios (each a "Strange Net"), the following shall apply:

(I) In case the Settlement Date Netting of all Netted Transactions forming part of the same Net Processing Unit results in no delivery obligation and no payment obligation, Eurex Clearing AG does not enter any Settlement Instruction or Payment Instruction.

All delivery and payment obligations arising from all Netted Transactions forming part of the same Net Processing Unit shall be deemed discharged as of the beginning of the Contractual Settlement Date.

(II) In case the Settlement Date Netting of all Netted Transactions forming part of the same Net Processing Unit results in a cash-only obligation, without any delivery obligation, Eurex Clearing AG only enters the relevant Payment Instructions.

All delivery and payment obligations arising from all Netted Transactions forming part of the same Net Processing Unit shall be deemed discharged as of the point in time when the relevant cash amounts are actually debited and credited from the relevant cash accounts by the relevant payment bank.

(b) Single Instruction Netting

(i) Under the Single Instruction Netting, the payment obligation arising from the Offset Block is considered in the netting result of the Surplus Block resulting in a single settlement instruction ("**Single Instruction Netting**").

(ii) Surplus Block

The provisions under Paragraph (a) (ii) above shall apply accordingly to Single Instruction Netting.

(iii) Offset Block

(I) Notwithstanding Strange Nets, Eurex Clearing AG does not enter any Payment Instruction with respect to the Offset Block.

(II) All delivery and payment obligations arising from all Netted Transactions allocated to the Offset Block shall be deemed discharged as of the point in time when the relevant securities and cash amounts are fully debited and credited from the relevant securities and cash accounts by the relevant Settlement Location in accordance with the Settlement Instruction entered into by Eurex Clearing AG pursuant to Paragraph (b) (ii) above.

(iv) Strange Nets

In case of the following scenarios (each a "Strange Net"), the following shall apply:

(I) In case the Settlement Date Netting of all Netted Transactions forming part of the same Net Processing Unit results in no delivery obligation and no payment obligation, Eurex Clearing AG does not enter any Settlement Instruction or Payment Instruction.

All delivery and payment obligations arising from all Netted Transactions forming part of the same Net Processing Unit shall be deemed discharged as of the beginning of the Contractual Settlement Date of all Netted Transactions.

(II) In case the Settlement Date Netting of all Netted Transactions forming part of the same Net Processing Unit results in a cash-only instruction, without any delivery obligation, Eurex Clearing AG enters a Payment Instruction.

All delivery and payment obligations arising from all Netted Transactions forming part of the same Net Processing Unit shall be deemed discharged as of the point in time when the relevant cash amounts are actually debited and credited from the relevant cash accounts by the relevant payment bank.

(III) In case the Settlement Date Netting results in a delivery obligation only without any payment obligation, Eurex Clearing AG will apply Aggregation.

"Aggregation" means the following:

(A) All delivery and payment obligations of all Netted Transactions forming part of the same Net Processing Unit and which have a delivery obligation for the Clearing Member or ISA Direct Clearing Member are aggregated (“Aggregated Sell Position”).

(B) All delivery and payment obligations of all Netted Transactions forming part of the same Net Processing Unit and which have a delivery obligation for Eurex Clearing AG are aggregated (“Aggregated Buy Position”).

(C) Eurex Clearing AG enters the relevant Settlement Instructions for the Aggregated Sell Positions and the Aggregated Buy Positions into the systems of the relevant Settlement Location.

(D) All delivery and payment obligations arising from the Netted Transactions forming part of the Aggregated Sell Position shall be deemed discharged as of the point in time when the relevant securities and cash amounts are actually debited and credited from the relevant securities and cash accounts by the relevant Settlement Location. The same shall apply with respect to all delivery and payment obligations arising from the Netted Transactions forming part of the Aggregated Buy Position.

(E) Provided that the Settlement Location supports partial deliveries and a partial delivery of Securities occurs with respect to a Settlement Instruction entered into the systems of the relevant Settlement Location, Eurex Clearing AG partially allocates the delivered Securities among the Netted Transactions forming part of the Surplus Block on basis of a pre-defined and non-discretionary algorithm. Such allocation shall constitute a legally binding obligation between Eurex Clearing AG and the Clearing Member or ISA Direct Clearing Member.

The delivery and payment obligations arising from the Surplus Block shall be deemed partially discharged as of the point in time when the relevant securities and cash amounts are actually debited and credited from the relevant securities and cash accounts by the relevant Settlement Location.

(IV) In case the Settlement Date Netting results in a delivery obligation and a payment obligation for one (but not for the other) party, Eurex Clearing AG will apply Aggregation pursuant to Paragraph (III) above.

(2) Gross Processing

If Gross Processing is the applicable Processing Method, no Settlement Date Netting occurs and all Repo Transactions are settled on a gross basis. Eurex

Clearing AG will enter separate Settlement Instructions into the systems of the relevant Settlement Location for each Repo Transaction.

(3) Shaping

Prior to the entering of Settlement Instruction or a Payment Instruction, Eurex Clearing AG may split a Settlement Instruction or a Payment Instruction with a high notional value into several instructions with smaller notional value ("**Shaping**").

2.5.3 Reporting

- (1) Eurex Clearing AG will inform the Clearing Member or ISA Direct Clearing Member of the results of any Settlement Date Netting pursuant to Number 2.5.2 (2) after the completion of the end-of-day processing on the relevant Netting Date by providing a report.
- (2) Eurex Clearing AG will inform the Clearing Member or ISA Direct Clearing Member of the settlement status of each Netted Transaction at the end of each Contractual Settlement Date by providing a settlement report.

2.6 Settlement Date Exposure Netting with respect to GC Pooling Repo Transactions

With respect to GC Pooling Repo Transaction, Eurex Clearing AG applies a mandatory netting of delivery and payment obligations arising from all GC Pooling Repo Transactions of the relevant Clearing Member or ISA Direct Clearing Member ("**Settlement Date Exposure Netting**") subject to and in accordance with the following provisions.

2.6.1 General provisions for Settlement Date Exposure Netting

- (1) The Settlement Date Exposure Netting shall occur on the Netting Date and relates to all Front Leg(s) and Term Leg(s) of GC Pooling Repo Transactions that form part of the relevant Net Processing Unit.
- (2) A "**Net Processing Unit**" comprises all Front Leg(s) and Term Leg(s) meeting the following requirements (each a "**Netted GC Pooling Repo Transaction**"):
 - (a) all Netted GC Pooling Repo Transactions arise from GC Pooling Repo Transactions.
 - (b) all delivery obligations relate to the same Securities Basket ("**Relevant Securities**"), and
 - (c) all requirements stipulated under Number 2.5.1 (2) (a), (d), (e), (f), and (g).

The Front Legs of GC Pooling Repo Transactions qualifying as Same Day Repo Transactions do not form part of a Net Processing Unit. Same Day Repo Transactions are settled on a gross basis.

(3) The provisions under Number 2.5.1 (3) and (4) shall apply accordingly to Settlement Date Exposure Netting.

2.6.2 Processing Methods

(1) The only Processing Method with respect to GC Pooling Repo Transaction shall be that all delivery and payment obligations arising from all Relevant Transactions are netted ("**Settlement Date Exposure Netting**").

Gross Processing will be applied for Same Day Repo Transactions only.

(2) Netting Options

The Clearing Member or ISA Direct Clearing Member can select

(i) Dual Instruction Netting in accordance with Paragraph (a) below or

(ii) Single Instruction Netting in accordance with Paragraph (b) below (each a "**Netting Option**").

(a) Dual Instruction Netting

(i) Under the Dual Instruction Netting, the delivery and payment obligations arising from the Surplus Block and the Offset Block after the Settlement Date Exposure Netting are instructed separately by either (i) CmaX or the relevant other TPCM or (ii) Eurex Clearing AG (provided that no Strange Net pursuant to Paragraph (iv) has occurred).

(ii) Surplus Block

(I) After the Settlement Date Exposure Netting, Eurex Clearing submits the netting results and Exposure Adjustment Requests to CmaX or the relevant other TPCM.

(II) After receipt of the Exposure Adjustment Requests, CmaX or the relevant other TPCM shall adjust the relevant exposures and shall select the relevant Securities forming part of the relevant Securities Basket to be transferred.

Cmax or the relevant other TPCM shall enter the required Settlement Instructions into the systems of the relevant Settlement Locations.

(III) All delivery and payment obligations arising from the Netted Transactions which are allocated to the Surplus Block shall be deemed discharged as of the point in time when the relevant securities and cash amounts are actually debited and credited from the relevant securities and cash accounts by the relevant Settlement Location.