

(IV) In case the Exposure Adjustment Request submitted to CmaX or the relevant other TPCM can only be partially fulfilled, 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 Exposure 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 submit an Exposure Adjustment Request and does not enter any 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 obligation, without any delivery obligation, Eurex Clearing AG does not submit an Exposure Adjustment Request and enters only 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 and the Surplus Block shall be instructed by CmaX or the relevant other TPCM provided that no Strange Net has occurred (“**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) The results of the Settlement Date Exposure Netting with respect to the Offset Block forms part of the Exposure Adjustment sent to CmaX or the relevant other TPCM by Eurex Clearing AG pursuant to Paragraph (ii) (I) above.

(III) After receipt of the Exposure Adjustment Requests, CmaX or the relevant other TPCM shall adjust the relevant exposures and shall enter the required Payment Instructions into the systems of the relevant payment bank.

(IV) 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 fully 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 Exposure 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 submit any Exposure Adjustment Request.

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 submits the relevant Exposure Adjustment Requests.

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 submit Exposure Adjustment Requests.

In such case, the provisions under Paragraph (2) (a) (ii) (II) to (IV) above shall apply accordingly here.

(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 submit Exposure Adjustment Requests.

In such case, the provisions under Paragraph (2) (a) (ii) (II) to (IV) above shall apply accordingly here.

2.6.3 Reporting

The provisions under Number 2.5.3 shall apply accordingly to Settlement Date Exposure Netting.

2.7 Failure to Deliver or to Pay

~~(1) Any failure to make a payment or delivery when due shall be governed by the following procedure:~~

~~(a) Failure to Deliver on the due date of the Front Leg~~

2.7.1 Failure to deliver or pay on the Contractual Settlement Date of the Front Leg

~~(aa) Repo Transactions other than GC Pooling Repo Transactions~~

(1) Repo Transactions (other than GC Pooling Repo Transaction)

~~(a) If, under a Repo Transaction other than a GC Pooling Repo Transaction, on the Contractual Settlement Date ~~due date~~ of the Front Leg~~

- (i) ~~the Clearing Member or ISA Direct Clearing Member acting as a Cash Taker fails to deliver the owed Securities, or~~
- (ii) ~~the Clearing Member or ISA Direct Clearing Member acting as a Cash Provider fails to provide transfer the respective owed cash amount purchase price,~~

Eurex Clearing AG shall be entitled to determine an earlier repurchase date with respect to the Term Leg of the relevant Repo Transaction on either the present Business Day or at the latest (including) on the Contractual Settlement Date of the Term Leg (“Accelerated Repurchase Date”).

The acceleration of the repurchase date in case of items (i) and (ii) applies in both cases to

- (I) the Term Leg of the Repo Transaction between Eurex Clearing AG and the Cash Taker and
- (II) the Term Leg of the corresponding Repo Transaction between Eurex Clearing AG and the Cash Provider.

~~Eurex Clearing AG shall be obliged to determine an Accelerated Repurchase Date pursuant to this Paragraph (i), if the Cash Provider and, on request of the Clearing Member or ISA Direct Clearing Member (or the Clearing Agent acting in the name of the relevant ISA Direct Clearing Member), which did not receive the relevant Securities under, in respect to the corresponding Repo Transaction between Eurex Clearing AG and such Clearing Member or ISA Direct Clearing Member the Cash Provider on the Contractual Settlement Date of the Front Leg, requests in writing that Eurex Clearing AG shall determine an Accelerated Repurchase Date. , acts, in case of (i), as cash provider and which did not receive delivery of the Securities in time or, in case of (ii), as cash taker and did not receive the delivery of cash in time, obliged to set the present Business Day, at the latest the delivery day of the Term Leg, as an advanced repurchase date of the Term Leg.~~

- (b) In case of the non-delivery of Securities by the Cash Taker, the following shall apply:

~~As a consequence thereto~~ Upon the determination of an Accelerated Repurchase Date with respect to the relevant Repo Transactions, the all mutual obligations arising out of this

- (i) from the Front Leg and the Term Leg of such the relevant Repo Transaction between Eurex Clearing AG and the Cash Taker and
- (ii) from the Front Leg and the Term Leg of the corresponding Repo Transaction between Eurex Clearing AG and the Cash Provider which had originally been agreed upon

shall be set-off with each other.

The only remaining obligation shall be the payment of the agreed Repo Interest, offset against each other so that the parties, with the exception of the agreed Repo interests agreed upon, do not owe each other any further payment or delivery. The payable Repo interest shall be calculated for the period as of the Contractual Settlement Date (including) of the Front Leg until the Accelerated Repurchase Date (excluding), on the basis of the period of non-delivery, in each case for the period from the purchase date (inclusive) until the Business Day to which the Term Leg was advanced (exclusive).

If a negative Repo interest has been agreed upon, the calculation of the Repo interest no longer applies, if Eurex Clearing AG is able to set the present Business Day as an advanced repurchase date of the Term Leg of the respective Eurex Repo Transaction.

(c) In case of the non-payment of the cash amount by the Cash Provider, the following shall apply:

With respect to the Cash Provider, the provisions under Paragraph (b) above shall apply accordingly.

With respect to the Cash Taker, Eurex Clearing AG shall re-transfer the Securities to the Cash Taker versus the payment of the agreed repurchase price and the agreed Repo Interest (if any).

(d) The contractual penalty for a failure to deliver Securities or cash pursuant to Chapter I Part I Number 14.2.2 shall not apply. In case of failure to pay cash, the contractual penalty pursuant to Chapter I Part I Number 14.2.2 shall apply. In respect of a failure to deliver CSDR Penalty In-Scope Securities the provisions on penalties set out in Chapter I Part 1 Number 1.4.4 (2) apply.

Eurex Clearing AG shall be entitled to set an earlier date as repurchase date for the Term Leg of the corresponding Repo Transaction between Eurex Clearing AG and the Clearing Member or ISA Direct Clearing Member which did not receive delivery of Securities or cash, as applicable, from Eurex Clearing AG in time; Sentence 2 – 4 shall apply *mutatis mutandis*.

(bb2) GC Pooling Repo Transactions

(a) If, under a GC Pooling Repo Transaction,

(i) the Clearing Member or ISA Direct Clearing Member acting as Cash Taker fails to deliver Securities selected and instructed by CmaX or the other TCPM on the Contractual Settlement Date of the Front Leg which are admissible for the delivery in the respective basket and the underlying currency on the due date of the Front Leg, or

(ii) ~~the Clearing Member or ISA Direct Clearing Member acting as a Cash Provider fails to transfer the agreed provide the respective cash amount on the Contratual Settlement Date due date of the Front Leg,~~

the provisions under Paragraph (1) (a), (b) and (c) (a) (aa) shall apply *mutatis mutandis*, unless provided otherwise herein.

(b) In addition, the following provision shall apply:

~~If the conditions provided in Sentence 1 are fulfilled,~~

(i) The Clearing Member or ISA Direct Clearing Member acknowledges that Clearstream Banking S.A. or the relevant other TPCM informs Eurex Clearing AG about any failure to deliver or pay. Clearstream Banking AG may inform Eurex Clearing AG, Clearstream Banking S.A. or the relevant other TPCM about any such settlement failure And

(ii) ~~irrespective of whether Eurex Clearing AG has suffered any damage unless such failure to deliver Securities or such failure to provide the cash amount results from a Force Majeure Event, a Market Disorder Event and/or the Clearing Member or ISA Direct Clearing Member is not responsible for such failure, The failing Clearing Member or ISA Direct Clearing Member shall pay, in accordance with the instructions received from Eurex Clearing AG, a contractual penalty in the amount of 0.015 per cent of the relevant unpaid due amount (in case of a failure to deliver Securities, the amount shall be determined based on the agreed purchase price of the GC Pooling Repo Transaction), but no less than EUR 1,500 and not more than EUR 15,000 per Business Day on which the failure continues or the corresponding equivalent in any other Clearing Currency as determined by Eurex Clearing AG per Business Day at which the settlement fail first occurs or continues to occur, however, no more than EUR 15,000 or the corresponding equivalent in any other Clearing Currency as determined by Eurex~~

The contractual penalty shall not apply, if such failure to deliver Securities or such failure to provide the cash amount results from a Force Majeure Event, a Market Disorder Event, or if the Clearing Member or ISA Direct Clearing Member is not responsible for such failure. Clearing AG per day.

In unreasonable scenarios, For the purposes of equity and proportionality, Eurex Clearing AG may under consideration of the interest of the relevant Clearing Member or ISA Direct Clearing Member (partly or fully) refrain from charging a refrain from applying the contractual penalty or lower its amount.

The right of Eurex Clearing AG to claim further damages or and/or default interest shall remain unaffected, provided that any amount received as a contractual penalty under this provision shall be deducted from any

potential claim for damages and/or default interest based on the same facts. In the scope of its application, this contractual penalty takes precedence over the contractual penalty provided in Chapter I Part 1 Number 14.2.2.

~~(b) Failure to Deliver on the due date of the Term Leg~~

2.7.2 Failure to deliver or to pay on the Contractual Settlement Date of the Term Leg

~~(aa) Repo Transactions other than GC Pooling Repo Transactions~~

(1) Repo Transactions (other than GC Pooling Repo Transactions)

~~(a) If, under a Repo Transaction other than a GC Pooling Repo Transaction, on the Contractual Settlement Date due date of the Term Leg, the Clearing Member or ISA Direct Clearing Member acting as cash Cash provider Provider fails to deliver the Securities, Eurex Clearing AG shall be entitled~~

~~and, on request of the Clearing Member or ISA Direct Clearing Member (or the Clearing Agent acting in the name of an ISA Direct Clearing Member) which, in respect to the corresponding Repo Transaction between Eurex Clearing AG and such Clearing Member or ISA Direct Clearing Member, acts as cash taker and did not receive delivery in time, obliged~~

~~(i) to make a replacement purchase conduct a buy-in with respect to the undelivered relevant S securities as of from on - the 5th Business Day following the due date after the Contractual Settlement Date off the Term Leg and to deliver the purchased Securities so to the relevant Cash Taker Clearing Member or ISA Direct Clearing Member (or the Clearing Agents acting in the name of an ISA Direct Clearing Member) which did not receive delivery by Eurex Clearing AG in time ; or~~

~~(ii) or, in the case of a wholly or partially unsuccessful if a replacement buy-in purchase is (partially or fully) unsuccessful, to perform a cash settlement.~~

Eurex Clearing AG shall be obliged to conduct a buy-in or a cash settlement pursuant to this Paragraph (a), if the Cash Taker (or the Clearing Agent acting in the name of the Cash Taker in its capacity as ISA Direct Clearing Member) requests in writing that Eurex Clearing AG shall conduct a buy-in or a cash settlement.

~~(b) The replacement buy-in and the cash settlement shall be conducted are performed pursuant to the provisions under Chapter V Part 2 Number 2.2 (without application of the provisions on contractual penalties pursuant to provided in Chapter V Part 2 Number 2.2 (6)).~~

Notwithstanding Chapter V Part 2 Number 2.2.1 Paragraph (3) (b) (aa), the cash settlement amount ~~is determined by the highest~~ shall be the higher of

- (i) ~~the settlement price of the respective class of securities as determined by Eurex Clearing AG,~~
- (ii) ~~the selling price,~~ and
- (iii) ~~the purchase price of the relevant Eurex Repo Transaction,~~
and in each case, plus a premium of 300 basis points, accrued interest and the applicable repo rate.

The contractual penalty for a failure to deliver Securities ~~or cash~~ pursuant to Chapter I Part I Number 14.2.2 shall not apply. In respect of a failure to deliver CSDR Penalty In-Scope Securities the provisions on penalties set out in Chapter I Part 1 Number 1.4.4 (2) apply.

- (c) If, under a Repo Transaction other than a GC Pooling Repo Transaction, on the Contractual Settlement Date of the Term Leg, the Cash Taker fails to transfer the owed re-purchase price, the contractual penalty pursuant to Chapter I Part I Number 14.2.2 shall apply.

~~In respect of a failure to deliver CSDR Penalty In-Scope Securities the provisions on penalties set out in Chapter I Part 1 Number 1.4.4 (2) apply.~~

~~(bb) GC Pooling Repo Transactions~~

(2) GC Pooling Transactions

- (a) If, under a GC Pooling Repo Transaction, on the due date of the Term Leg
 - (i) ~~the Clearing Member or Basic ISA Direct Clearing Member acting as cCash Provider fails to deliver the owed Securities,~~ or
 - (ii) ~~the Clearing Member or ISA Direct Clearing Member acting as cCash Taker fails to provide the respective transfer the owed re-purchase price cash amount,~~

~~then – irrespective of whether Eurex Clearing AG has suffered any damage – unless such failure to deliver Securities or such failure to provide the cash amount results from a Force Majeure Event, a Market Disorder Event and/or the Clearing Member or ISA Direct Clearing Member is not responsible for such failure,~~ the failing Clearing Member or ISA Direct Clearing Member shall pay, in accordance with the instructions received from Eurex Clearing AG, a contractual penalty in the amount of 0.015 per cent of the relevant unpaid due amount (in case of a failure to deliver Securities, the amount shall be determined based on the agreed purchase price of the GC Pooling Repo Transaction), but no less than EUR 1,500 and no more than EUR 15,000 per Business Day on which the failure continues, = or the corresponding equivalent in any other Clearing Currency as determined by Eurex Clearing AG – per Business Day at which the settlement fail occurs or continues to occur, however, no more than EUR 15,000

~~or the corresponding equivalent in any other Clearing Currency as determined by Eurex Clearing AG.~~

The contractual penalty shall not apply, if such failure to deliver Securities or such failure to transfer the re-purchase price results from a Force Majeure Event, a Market Disorder Event, or if the Clearing Member or ISA Direct Clearing Member is not responsible for such failure.

In unreasonable scenarios, Eurex Clearing AG may under consideration of the interest of the relevant Clearing Member or ISA Direct Clearing Member (partly or fully) refrain from charging a contractual penalty. For the purposes of equity and proportionality, Eurex Clearing AG may refrain from applying the contractual penalty or lower its amount.

The right of Eurex Clearing AG to claim further damages and/or default interest shall remain unaffected, provided that any amount received as a contractual penalty under this provision shall be deducted from any potential claim for damages and/or default interest based on the same facts. In the scope of its application, this contractual penalty takes precedence over the contractual penalty provided in Chapter I Part 1 Number 14.2.2.

2.7.3 Other Provisions

- ~~(2) Measures set forth in Paragraph (1) shall be binding on the Clearing Member or ISA Direct Clearing Member which did not receive delivery in time.~~
- ~~(3a) The defaulting Cash Taker or Cash Provider failing to deliver or pay under Number 2.7.1 or 2.7.2 Clearing Member or ISA Direct Clearing Member shall bear the costs arising from any measures taken by Eurex Clearing AG pursuant to such provisions. Paragraph (1).~~
- ~~(4b) The right to claim further damages shall be excluded for the Clearing Member or ISA Direct Clearing Member which did not receive delivery or payment on the Contractual Settlement Date, in time.~~
- ~~(5c) If on the relevant Contractual Settlement Date or the relevant a delivery day only a partial delivery of sSecurities occurs, the provisions under Number 2.7.1 and Number 2.7.2 Paragraphs above shall apply accordingly with regard to the outstanding partial deliveries. Due to different average price calculation of the T2S system at the Settlement Location and the system of Eurex Clearing AG concerning partial deliveries, it may occur for incomplete deliveries on the delivery day, that the Clearing Member obliged to deliver is credited an amount which, in total, exceeds the selling price. Eurex Clearing AG shall notify the Clearing Member obliged to deliver accordingly and is authorised to debit any exceeding amounts accordingly and to credit these amounts to the buyer. ~~The Clearing Member obliged to deliver must ensure that a respective amount is available on its relevant RTGS Account or euroSIC Account.~~~~

2.87 Investment limits for pending Euro GC Pooling Repo Transactions after 16:00 (Frankfurt am Main time)

~~With regard to~~ In case of GC Pooling Repo Transactions qualifying as Same Day Repo Transactions and which are concluded on at a multilateral trading facility after 16:00 (Frankfurt am Main time) on a trading day and whose delivery day of the Front Leg coincides with their trade date, the following special provisions shall apply:

[...]

2.98 Risk limitation possibilities for Clearing Agents

For the avoidance of doubt, the Clearing Agent shall subject to and in accordance with the rules of the respective multilateral trading facility be entitled to suspend the trading of the ISA Direct Clearing Member at the multilateral trading facility. In this case no new Repo Transactions may be included in the Clearing.

2.109 GC Pooling Repo Transactions relating to the GC Pooling CTD Basket Transactions

[...]

- (3) By way of derogation from Chapter I Part 4 ~~Subpart A~~ Number Subpart A 4.3.2.2, a re-use of Securities which a Clearing Member or ISA Direct Clearing Member has received as collateral in relation to GC Pooling CTD Basket Transactions is not possible.

2.110 Tax

[...] (1) Deduction or withholding of Taxes

The parties to the Repo Transaction shall make all payments under the Repo Transaction without any deduction or withholding for or on account of any Tax unless such deduction or withholding is required by any applicable law.

If a party to a Repo Transaction that is required to make a payment (in such capacity, the "Payer") is so required to make a deduction or withholding from the payment owed by it, the Payer shall:

[...]

- (2) Reimbursement of Eurex Clearing AG by the Clearing Member or ISA Direct Clearing Member acting as Payer

If Eurex Clearing AG is required to pay any additional amount to the Recipient in accordance with Paragraph (1) (d) (for the purposes of this Number 2.110 the "Eurex Clearing Gross-up Amount"), the relevant Clearing Member or ISA Direct Clearing Member which is acting as Payer in relation to Eurex Clearing AG shall pay to Eurex Clearing AG an amount equal to the Eurex Clearing Gross-up Amount. If the relevant Clearing Member or ISA Direct Clearing Member acting as Payer in

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relation to Eurex Clearing AG is required to make any deduction or withholding in respect of the amount so payable by it, Paragraph (1) shall apply *mutatis mutandis*.

[...]

2.124 Termination of GC Pooling Repo Transactions denominated in USD

[...]

Part 3 Special Conditions regarding the Clearing of GC Pooling Repo Transactions with ISA Direct Light License Holders and corresponding GC Pooling Repo Transactions with Clearing Members

[...]

3.1 ISA Direct Light License

[...]

- (2) The ISA Direct Light License entitles the holder of such License (the "**ISA Direct Light License Holder**") to clear Own Transactions
 - (i) as the buyer within the purchase agreement and the seller within the re-purchase agreement ("**Cash Provider**") and,
 - (ii) to the extent that the ~~Novation criteria for a Cash Taker Transaction~~ Novation Criteria pursuant to Number 3.2.2 Paragraph (4) are complied with in each case, as the seller within the purchase agreement and the buyer within the re-purchase agreement ("**Cash Taker**").

Related GC Pooling Repo Transactions are included in the Clearing by way of novation subject to and pursuant to Number 3.2.

[...]

- (5) The prerequisites to be fulfilled for the granting of the ISA Direct Light License (and which shall be complied with as long as the relevant ISA Direct Light License is held) are the following:

[...]

- c) if the ISA Direct Light License is granted that includes the Clearing of GC Pooling Repo Transactions which qualify as Eurex Repo Transactions: admission for participation in trading in the Select Invest Segment on Eurex Repo GmbH ~~as a Select Enterprise in relation to GC Pooling Repo Select;~~

[...]

- f) the applicant has provided evidence of an own participation authorisation (including, where relevant, of the entering into the related documentation) regarding ~~XemaC, CmaX~~ and/or any other TPCM as Eurex Clearing AG may from time to time reasonably require, subject to Number 3.10 below.

When taking the decision to require the ISA Direct Light Licence Holder 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 Light License Holders, and, in respect of any such requirement affecting an entity already holding an ISA Direct Light License, ~~subject to Number 3.10 below;~~

- g) the applicant has
- (i) ~~a cash account with Clearstream Banking AG in the name of the applicant, pursuant to Chapter I Part 1 Number 2.1.2 Paragraph (4) (b) (aa); or~~
 - (ii) a dedicated cash account of the applicant with Clearstream Banking S.A. for the settlement of GC Pooling Repo Transactions; or
 - (iii) a dedicated cash account of the applicant with a relevant other TPCM for the settlement of GC Pooling Repo Transactions;
- h) the applicant has securities settlement accounts pursuant to Chapter I Part 1 Number 2.1.2 Paragraph (4) (a) (~~eeff~~);

[...]

- (6) The following provisions are not applicable to ISA Direct Light License Holders:

[...]

- b) Chapter I Part 2 Subparts C and D, Part 3, 4, 5 and 6;
- c) the Termination provisions and consequences pursuant to Chapter I Part 1 Number 7 and Chapter I Part 2 Subpart A Number 6 ~~and Subpart C Number 8~~, as well as a close-out with respect to Eurex Clearing AG pursuant to Chapter I Part 1 Number 9;
- d) the obligation to have available own funds in accordance with Chapter I Part 1 Number 2.1.2 Paragraph (3);
- e) the Margin Requirement pursuant to Chapter IV Part 1 Number 1.2 together with Chapter I Part 1 Number 3 and Chapter I Part 2 Subpart A Number 4 ~~and Subpart B Number 5 and Subpart C Number 6;~~

[...]

3.2 Conclusion of Transactions by way of Novation

[...]

3.2.1 Novation

- (1) Whenever the relevant ISA Direct Light License Holder and the Clearing Member or, as the case may be, the relevant DC Market Participant or Indirect Client Market Participant (acting on behalf of the Clearing Member in accordance with Chapter I Part 1 Number 1.1.8 of the General Clearing Provisions and ~~(in case of an Indirect Client Market Participant applied *mutatis mutandis* pursuant to Chapter I Part 1 Number 1.1.13 of the General Clearing Provisions) of the General Clearing Provisions) transmits via a multilateral trading facility a GC Pooling Repo Transaction ~~pursuant to Number 3.2.2 Paragraph (1)~~ to Eurex Clearing AG (“**Original GC Pooling Repo Transaction**”) and whenever Eurex Clearing AG accepts such Original GC Pooling Repo Transaction pursuant to this Number 3.2 for inclusion in the Clearing, Eurex Clearing AG will interpose itself by way of novation as central counterparty and the Original GC Pooling Repo Transaction shall – ~~pursuant to this Chapter IV~~ – be cancelled and replaced by two related GC Pooling Repo Transactions~~

[...]

The GC Pooling Repo Transactions resulting from the novation shall not be subject to the valid existence of the Original GC Pooling Repo Transactions (abstract novation).

Chapter I Part ~~1~~ Number 1.2.2 Paragraph (6) applies *mutatis mutandis*.

- (2) Following the conclusion of GC Pooling Repo Transactions by way of novation pursuant to Paragraph (1), Eurex Clearing AG will on the same Business Day send corresponding confirmations to the ISA Direct Light License Holders and the Clearing Members and the DC Market Participant or Indirect Client Market Participants, if any. The actual time of conclusion of a GC Pooling Repo Transaction by way of novation is referred to in this Chapter IV as the “**Novation Time**”.

3.2.2 Novation Principles and Criteria

- (1) Original GC Pooling Repo Transactions have to be transmitted to Eurex Clearing AG in a standardised form via an approved multilateral trading facility.

Eurex Clearing AG makes no representation, whether expressed or implied, as to the complete and timely performance of the duties and obligations of the respective multilateral trading facility vis-à-vis the ISA Direct Light License Holders and, the Clearing Members, ~~the DC Market Participants or Indirect Client Market Participants~~.

~~Eurex Clearing AG assumes no liability to the ISA Direct Light License Holders or, the Clearing Members, the DC Market Participants or Indirect Client Market Participants~~ for any act or failure to act by the respective multilateral trading facility

vis-à-vis the ISA Direct Light License Holders ~~or, the Clearing Members, the DC Market Participants or Indirect Client Market Participants~~ in connection with any information or notices received by Eurex Clearing AG or given to the ISA Direct Light License Holders ~~or, the Clearing Members, the DC Market Participants or Indirect Client Market Participants~~ via the respective multilateral trading facility, as the case may be.

- (2) Eurex Clearing AG shall validate any information regarding the Original GC Pooling Repo Transactions transmitted to it via a multilateral trading facility on or after the Start Date of the respective Repo Transactions.
- (3) ~~With regard to~~ In case of an Original GC Pooling Repo Transactions under in which the ISA Direct Light License Holder ~~is acts as~~ the Cash Provider ("**Cash Provider Transaction**"), the inclusion of ~~such an~~ Original GC Pooling Repo Transactions in the Clearing and the establishment of GC Pooling Repo Transactions pursuant Number 3.2.1 Paragraph (1) above requires that the ISA Direct Light License Holder has paid in advance the purchase price owed under the Front Leg of the Original GC Pooling Repo Transaction to have previously paid into the relevant cash account pursuant to Number 3.1 Paragraph (5) Item g) managed by Clearstream Banking AG, maintained with Clearstream Banking S.A. or the relevant other TPCM for the ISA Direct Light License Holder the purchase price owed from the Front Leg and Clearstream Banking AG, Clearstream Banking S.A. or the relevant other TPCM to have confirmed to Eurex Clearing AG the receipt of such payment.

If receipt of payment is confirmed until a certain point in time with regard to a Business Day as specified by Eurex Clearing AG ("**Novation Cut-Off Time**"), novation shall take place on the same Business Day provided that Eurex Clearing AG does not refuse the inclusion of the Original GC Pooling Repo Transaction in the Clearing for other reasons.

If receipt of payment ~~and its~~ is confirmed after the Novation Cut-Off Time, confirmation occur on such Business Day, however, after such certain point in time specified by Eurex Clearing AG, novation shall not take place on such Business Day and ~~Clearstream Banking AG, Clearstream Banking S.A. or the relevant other TPCM~~ will, on such Business Day, return the payment received to the ISA Direct Light License Holder. Novation of the Original GC Pooling Repo Transaction may be carried out in corresponding application of this Paragraph (3) on any following Business Day until and excluding the day which had been agreed on for fulfilment of the Term Leg (the "**End Date**").

- (4) ~~With regard to~~ In case of an Original GC Pooling Repo Transactions in under which the ISA Direct Light License Holder ~~is the~~ acts as Cash Taker ("**Cash Taker Transaction**"), the inclusion of ~~such an~~ Original GC Pooling Repo Transaction in the Clearing and the establishment of GC Pooling Repo Transactions pursuant to Number 3.2.1 Paragraph (1) above is subject to the fulfilment -satisfaction- of the ~~Novation criteria for a Cash Taker Transaction~~ Novation Criteria.

The ~~“Novation criteria for a Cash Taker Transaction~~ **Novation Criteria**” shall be satisfied ~~fulfilled~~ upon the determination by Eurex AG that

[...]

- b) the Nominal Size (~~Nominalwert~~) of the relevant Cash Taker Transaction does not exceed the relevant Maximum Cash Taker Nominal Size and
- c) the Settlement Amount of the relevant Cash Taker Transaction does not exceed the relevant Maximum Cash Taker Settlement Amount.

In this regard, the following shall apply:

“Maximum Cash Taker Nominal Size” (~~“Maximaler Cash Taker Nominalwert”~~) specifies the – in view of an inclusion in the Clearing – maximum permissible Nominal Size of a Cash Taker Transaction, such amount being determined by Eurex Clearing AG in each individual case as:

[...]

“Maximum Cash Taker Settlement Amount” (~~“Maximaler Cash Taker Settlement Betrag”~~) specifies the – in view of an inclusion in the Clearing – maximum permissible Settlement Amount of a Cash Taker Transaction, such amount being determined by Eurex Clearing AG in each individual case as:

[...]

“Settlement Amount”, in relation to a GC Pooling Repo Transaction, means an amount equal to the re-purchase price plus (to the extent not already comprised therein) the Repo interest with respect to relevant GC Pooling Repo Transaction.

If Eurex Clearing AG determines that the ~~Novation criteria for a Cash Taker Transaction~~ **Novation Criteria** have been satisfied on a Business Day until the point in time specified by Eurex Clearing AG, novation in the relevant Cash Taker Transaction shall be carried out on such Business Day provided that Eurex Clearing AG does not refuse inclusion in the Clearing for other reasons.

If Eurex Clearing AG determines that the ~~Novation criteria for a Cash Taker Transaction~~ **Novation Criteria** have not or not in due time been complied with on a Business Day until the point in time specified by Eurex Clearing AG, novation in the relevant Cash Taker Transaction shall not be carried out on such Business Day. Eurex Clearing AG will notify the respective multilateral trading facility accordingly by electronic means on such Business Day.

Novation of the Original GC Pooling Repo Transaction may be carried out in corresponding application of this Paragraph (4) on any following Business Day until and excluding the agreed End Date of the Original GC Pooling Repo Transaction.

- (5) Eurex Clearing AG may reject the inclusion of Original GC Pooling Repo Transactions in the Clearing – even though the requirements of the Paragraphs (3)

or (4) respectively have been complied with particularly if: ~~the following conditions have not been complied with:~~

- a) ~~the Original GC Pooling Repo Transaction is entered into the system of Eurex Clearing AG pursuant Number 3.2.2 Paragraph (1) via a multilateral trading facility and does not comply~~ complies with the requirements of the contractual framework of the respective multilateral trading facility (including, ~~in particular,~~ if the transaction is entered via Eurex Repo GmbH, the GTCs of Eurex Repo GmbH ~~the Terms and Conditions for Participation and Trading on Eurex Repo GmbH~~);
 - b) counterparties to the a-novated Original GC Pooling Repo Transaction (other than Eurex Clearing AG) are not an ISA Direct Light License Holder and a Clearing Member of Eurex Clearing AG; in case of DC-Related Transactions of a Clearing Member, the novated GC Pooling Repo Transaction relates to a DC Market Participant of the relevant Clearing Member;
 - c) the Clearing License of the relevant Clearing Member and the ISA Direct Light License of the relevant ISA Direct Light License Holder are not suspended or restricted;
 - d) any of the following occurs:
 - (i) a Termination Date has not occurred with respect to the relevant Clearing Member,
 - (ii) circumstances have arisen with respect to the ISA Direct Light License Holder constituting a Termination Event pursuant to Chapter I Part 1 Number 7.2.1 Paragraph (2) to Paragraph (4) or Paragraph (6) to Paragraph (11),
 - (iii) ~~or a termination or automatic termination has occurred with respect to the relevant ISA Direct Light License Holder pursuant to Number 3.5.1 or Number 3.5.2, or~~
 - (iv) an Insolvency Termination Event has occurred with respect to the relevant ISA Direct Light License Holder pursuant to Number 3.5.4; no Termination of a GC Pooling Repo Transaction with the ISA Direct Light License Holder pursuant to Number 3.5 has occurred and there exists no circumstance entitling Eurex Clearing AG pursuant to Number 3.5 to a termination of such Transaction;
- (6) Original GC Pooling Repo Transactions shall be novated with the content relevant in accordance with the contractual framework of the respective multilateral trading facility and on the basis of the information which Eurex Clearing AG has received via the respective multilateral trading facility from the relevant ISA Direct Light License Holder and the Clearing Member or the relevant DC Market Participant or Indirect Client Market Participants (acting on behalf of the Clearing Member in accordance

with Number 1.1.8-9 (in case of an Indirect Client Market Participant applied *mutatis mutandis* pursuant to Number 1.1.13) of the General Clearing Provisions), if any.

3.3 Fulfilment of Obligations regarding Delivery and Payment

- (1) ~~With regard respect to the to the procedures for delivery and payment resulting from under GC Pooling Repo Transactions involving ISA Direct Light License Holders, the provisions under Part 2 Number 2.2 (2) (d) and 2.4 shall apply accordingly provided that~~
- (i) ~~the with the provision that payments of the purchase price shall be are settled via the cash account pursuant to Number 3.1 Paragraph (5) Item (g) managed by maintained with Clearstream Banking AG, Clearstream Banking S.A. or the relevant other TPCM for the ISA Direct Light License Holder and~~
- (ii) ~~that the delivery of the securities shall be to be transferred is settled via the securities settlement account pursuant to Number 3.1 Paragraph (5) Item (h) managed by Clearstream Banking AG, maintained with Clearstream Banking S.A. or the relevant other TPCM for the ISA Direct Light License Holder.~~
- (2) The ISA Direct Light License Holder is obliged to
- (i) ~~instruct Clearstream Banking AG, Clearstream Banking S.A. or the relevant other TPCM to honour any debit instructions (*Lastschriften*) from its cash account pursuant to Number 3.1 Paragraph (5) Item (g) (including any debit instructions with respect to any fees raised by Eurex Clearing AG) and to~~

[...]

[...]

3.4 Pledges regarding the Securities delivered to the ISA Direct Light License Holder

3.4.1 Clearstream Banking AG as Settlement Location

~~(1) If the ISA Direct Light License Holder uses a securities account with Clearstream Banking AG for the settlement of GC Pooling Repo Transactions ("**CBF Settlement Account**"). To the extent a securities account managed for it by Clearstream Banking AG has been or will be notified to Eurex Clearing AG as account for the settlement of GC Pooling Repo Transactions, the ISA Direct Light License Holder shall~~

- (i) ~~pursuant to and in accordance with a pledge agreement substantially in a form provided by Eurex Clearing AG, pledge by entering into the Clearing Agreement pledges to Eurex Clearing AG all Securities and book-entry securities (*Gutschriften in Wertpapierrechnung*) (in this Part 3 jointly referred to as "**Securities**") which are at present or will in the future be deposited in such securities account; and~~

~~(ii) issue all relevant notices and take all relevant measures necessary or expedient for such pledge to become effective and assigns to Eurex Clearing AG its claims vis-à-vis Clearstream Banking AG for surrender of such securities.~~

~~— The ISA Direct Light License Holder affirms that it is the owner of the pledged Securities or otherwise entitled or authorised to pledge the Securities to Eurex Clearing AG and that such Securities are free from equally-ranking or prior ranking third-party rights. The ISA Direct Light License Holder shall, for the period of time in which the Securities are pledged, not allow such rights to arise without the consent of Eurex Clearing AG.~~

~~— Upon maturity of the pledge, Eurex Clearing AG may sell the pledged Securities in the open market without prior warning or may appropriate such Securities in whole or in part. The appropriation right expires upon it being exercised by Eurex Clearing AG or upon the sale of the pledged Securities.~~

~~(2) The ISA Direct Light License Holder immediately notifies Clearstream Banking AG of the conclusion of such pledge and assignment agreement.~~

~~(3) The security purpose (Sicherungszweck) of the pledges pursuant to Paragraph (1) is to secure all claims of Eurex Clearing AG arising from all GC Pooling Repo Transactions of the ISA Direct Light License Holder and all other claims of Eurex Clearing AG against the ISA Direct Light License Holder arising under the Clearing Agreement between Eurex Clearing AG and the ISA Direct Light License Holder.~~

~~(4) In case Eurex Clearing AG becomes the creditor of a compensation claim against the ISA Direct Light License Holder pursuant to Number 3.5.4, Eurex Clearing AG shall be entitled to realise the pledges created pursuant to Paragraph (1) to Paragraph (3) by the affected ISA Direct Light License Holder.~~

~~(5) The release of any right of pledge over securities granted to Eurex Clearing AG pursuant to Paragraph (1) to Paragraph (3) shall occur in connection with the delivery instructions by Eurex Clearing AG regarding existing delivery obligations on the~~

3.4.2 Clearstream Banking S.A. as Settlement Location

~~basis of the securities selected by Xemac pursuant to the SB Xemac.~~

If the holder of the ISA Direct Light License Holder uses a securities account with Clearstream Banking S.A. for the settlement of GC Pooling Repo Transactions (“**CBL Settlement Account**”),

~~(6) — To the extent a securities account managed for it Clearstream Banking S.A. or relevant other TPCM has been or will be notified to Eurex Clearing AG as account for the settlement of GC Pooling Repo Transactions, the ISA Direct Light License Holder shall be obliged to~~

~~(i) pursuant to and in accordance with a pledge agreement substantially in a form provided by Eurex Clearing AG, pledge to Eurex Clearing AG all Securities which~~

are at present or will in the future be deposited in such securities account; ~~pursuant to a pledge agreement to be separately entered into and~~

- (ii) ~~to issue all relevant notices to and take all relevant measures necessary or expedient for the perfection of such pledge. The pledge agreement shall be entered into substantially in the form as will be provided by Eurex Clearing AG.~~

3.4.3 Release of pledged Securities

~~For the avoidance of doubt, the release of Securities booked into the relevant CBF Settlement Account or CBL Settlement Account pledged in favour of Eurex Clearing AG is performed by CmaX or the other TPCM. 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. After receipt of the Exposure Adjustment Requests, CmaX or the relevant other TPCM adjusts the relevant exposures and selects the relevant Securities forming part of the relevant Securities Basket to be transferred.~~

3.5 Termination of GC Pooling Repo Transactions

~~GC Pooling Repo Transactions established between Eurex Clearing AG and an ISA Direct Light License Holder shall be terminated and with the legal consequences pursuant to Number 3.5.3, if~~

- (i) ~~Eurex Clearing AG exercises its termination right es by notice such Transactions pursuant to Number 3.5.1 or~~
- (ii) ~~if such Transactions are automatically terminated an automatic termination occurs pursuant to Number 3.5.2.~~

~~The legal consequences for an insolvency event~~In case of the occurrence of an Insolvency Termination Event with respect to the ISA Direct Light License Holder, the provisions under -are described in-Number 3.5.4 shall apply.

3.5.1 Termination right by notice of GC Pooling Repo Transactions

- (1) ~~Eurex Clearing AG shall be entitled to terminate by notice, with the legal consequences as described in Number 3.5.3, individual single or all GC Pooling Repo Transactions established between Eurex Clearing AG and with ISA Direct Light License Holders prior to before the the obligations arising from under the Term Leg of the relevant GC Pooling Repo Transaction(s) becoming due and payable provided that if, with regard to the ISA Direct Light License Holder, a circumstances arise with respect to the ISA Direct Light License Holder comes into existence which constitutes a Termination Event (*Beendigungsgrund*) pursuant to Chapter I Part 1 Number 7.2.1 Paragraph (2) to Paragraph (4) or Paragraph (6) to Paragraph (11).~~
- (2) ~~Whenever Eurex Clearing AG is entitled to exercise its termination rights by notice GC Pooling Repo Transactions pursuant to Paragraph (1), Eurex Clearing AG it may~~

(i) ~~without prior warning~~ terminate by notice without prior warning individual single or all GC Pooling Repo Transactions or

(ii) notify the relevant ISA Direct Light License Holder of the existence of such reason to terminate by notice and grant a grace period, which may be extended, to remedy the relevant reason for a termination by notice. ~~Upon granting of a grace period,~~ Eurex Clearing AG shall be entitled to terminate by notice ~~individual single~~ or all GC Pooling Repo Transactions, if the reason for a termination ~~by notice~~ is not completely remedied by the ISA Direct Light License Holder within the grace period.

(3) The right of Eurex Clearing AG to terminate GC Pooling Repo Transactions with an ISA Direct Light License Holder in accordance with Number 3.10 shall remain unaffected.

3.5.2 Automatic termination of GC Pooling Repo Transactions

If, at any time, ~~a circumstances comes into existence~~ arise with regard respect to the ISA Direct Light License Holder, which constitutes a Termination Event (*Beendigungsgrund*) pursuant to Chapter I Part 1 Number 7.2.1 Paragraph (5), an automatic termination of ~~the all~~ GC Pooling Repo Transactions concluded between Eurex Clearing AG and ~~such the relevant~~ ISA Direct Light License Holder shall occur with take immediate effect and without further notice as of the occurrence of such circumstances. ~~with the~~ The legal consequences of the automatic termination shall be determined in accordance with ~~as described in Number 3.5.3,~~ without the requirement of a termination by notice pursuant to Number 3.5.1.

3.5.3 Legal consequences of a Termination ~~s from termination by notice or automatic termination~~

(a) Acceleration of Term Leg

If ~~Eurex Clearing AG terminates by notice~~ single or all GC Pooling Repo Transactions between Eurex Clearing AG and ~~with the~~ ISA Direct Light License Holder are terminated pursuant to Number 3.5.1 or if such Transactions are subject to automatic termination pursuant to Number 3.5.2, the following shall occur:

(i) the Term Leg of the terminated GC Pooling Repo Transaction shall be put forward accelerated to the earlier Business Day on which the termination by notice ~~takes effect~~ becomes effective -or the automatic termination of GC Pooling Repo Transactions occurs, and

(ii) the obligations of the ISA Direct Light License Holder and of Eurex Clearing AG arising from under the Term Leg of the relevant GC Pooling Repo Transactions shall become immediately due upon such termination by notice or automatic termination.

(b) Claim for damages

The ISA Direct Light License Holder must indemnify Eurex Clearing AG against any and all damages resulting from the premature payment date of the Term Leg and release Eurex Clearing AG from any and all damages claims by third parties, in particular by Clearing Members with which Eurex Clearing AG has concluded corresponding GC Pooling Repo Transactions.

3.5.4 Occurrence of an Insolvency Termination Event with ~~regard~~ respect to the ISA Direct Light License Holder

- (1) ~~As of the occurrence of an Insolvency Termination Event pursuant to Chapter I Part 1 No 7.2.2 with respect to the~~ Whenever insolvency proceedings are opened over the assets of the ISA Direct Light License Holder, all current and future primary obligations (including payment and delivery obligations) arising from any GC Pooling Repo Transactions between Eurex Clearing AG and the relevant ISA Direct Light License Holder, which have not been terminated by notice pursuant to Number 3.5.1 or automatically terminated pursuant to Number 3.5.2, shall expire (*auflösende Bedingung*) ~~upon opening of such proceedings~~ upon occurrence of the Insolvency Termination Event and shall no longer be required to be performed by the relevant debtor. The expiration of claims affects all claims arising from the relevant GC Pooling Repo Transaction independently of the time they came into existence or would have come into existence otherwise.

[...]

3.5.5 Information obligations ~~Undertakings of the~~ ISA Direct Light License Holder

- (1) The ISA Direct Light License Holder shall ~~immediately~~ notify Eurex Clearing AG without undue delay of about
- (i) any circumstances entitling Eurex Clearing AG to exercise the termination right a termination by notice of GC Pooling Repo Transactions pursuant to Number 3.5.1,
 - (ii) any circumstances constituting an automatic termination pursuant to Number 3.5.2, and,
 - (iii) as well as on any termination events pursuant to Number 3.5.2 and any circumstances constituting an Insolvency Termination Event with respect to the ISA Direct Light License Holder, events pursuant to Number 3.5.4, in relation to the ISA Direct Light License Holder.

To the extent the ISA Direct Light License Holder, with regard to such circumstances or events, is subject to a statutory obligation to publicise, in particular an obligation to publish ad hoc notifications publicly pursuant to Regulation (EU) No 596/2014, such the notification pursuant to this Clause 1 Paragraph (1) must be carried out immediately made without undue delay after having complied with the statutory obligation to publicise the relevant stutory publication obligation has been met.

(2) If the ISA Direct Light License Holder ~~culpably~~ does not comply with its information obligations under Paragraph (1) at all or in due time, the following shall apply: with its information undertakings pursuant to Paragraph (1),

- a) The ISA Direct Light License Holder it must shall indemnify Eurex Clearing AG against any ~~and all~~ damages resulting thereof and release Eurex Clearing AG from any and all ~~damages~~ claims for damages by third parties, in particular by Clearing Members with which Eurex Clearing AG has concluded corresponding GC Pooling Repo Transactions.
- b) ~~and a~~ Any ~~and all~~ claims for damages ~~claims by~~ the ISA Direct Light License Holder may have vis-à-vis Eurex Clearing AG due to fulfilment of the Term Leg of the relevant GC Pooling Repo Transaction occurring after the point in time determined pursuant to Number 3.5.3 shall be excluded.

[...]

3.6 Failure to deliver or pay ~~Fulfil~~

3.6.1 Failure to deliver or pay on the Contractual Settlement Date of the ~~Fulfil by the delivery day of the~~ Front Leg

(1) ~~If in the event that~~ an Original GC Pooling Repo Transaction is included in the Clearing by way of novation ~~only after the Contractual Settlement Date, agreed delivery day of the Front Leg irrespective of whatever reason (- due - this being in particular because due to the prerequisites pursuant to Number 3.2.2. Paragraph (3) to Paragraph (5) were not fulfilled) not having been complied with at all or in due time on the agreed delivery day of the Front Leg~~.

- (a) in case of a Cash Provider Transaction for the ISA Direct Light License Holder, the Clearing Member with which Eurex Clearing AG has concluded a corresponding GC Pooling Repo Transaction ~~as a result of novation~~, or
- (b) in case of a Cash Taker Transaction for the ISA Direct Light License Holder, the ISA Direct Light License Holder respectively,

has to pay to Eurex Clearing AG ~~on the delivery day of the Term Leg~~ the unreduced Repo interest on the Contractual Settlement Date of the Term Leg ~~for the entire period since the agreed delivery day of the Front Leg in full~~.

Eurex Clearing AG ~~will distribute~~ pay out the unreduced such Repo interest to

- (i) in case of Paragraph (a), the ISA Direct Light License Holder or
- (ii) in case of Paragraph (b), the Clearing Member ~~the Cash Provider~~ of the corresponding GC Pooling Repo Transaction.

(2) ~~Other~~ Any claims arising between the parties to the Original GC Pooling Repo Transaction from or in connection with a novation ~~taking place~~ after the ~~agreed~~

~~delivery date~~ Contractual Settlement Date of the Front Leg ~~shall be settled, must be compensated bilaterally between the parties to the Original GC Pooling Repo Transaction, and are not subject matter of the legal transactions coming into existence with Eurex Clearing AG pursuant to Number 3.2.1 Paragraph (1) as a result of such novation.~~

- (3) The rights of Eurex Clearing AG pursuant to Part 2 Number 2.6-7.1 shall remain unaffected.

3.6.2 Failure to deliver or pay on the Contractual Settlement Date by the delivery day of the Term Leg

- (1) In the event that the ISA Direct Light License Holder ~~which is obliged to deliver~~ fails to deliver the underlying securities ~~of the relevant Cash Provider Transaction on the delivery day~~ Contractual Settlement Date of the Term Leg of the Cash Provider Transaction and pursuant to the instructions of Eurex Clearing AG, Eurex Clearing AG shall be entitled to enforce its pledges (including by way of appropriation) or realise the securities pledged to it pursuant to Number 3.4 in accordance with the provisions of the relevant pledge agreement entered into in accordance with Number 3.4 contained in the Clearing Agreement concluded with the ISA Direct Light License Holder.
- (2) The rights of Eurex Clearing AG pursuant to Part 2 Number 2.6-7.2 shall remain unaffected.

3.7 Limitation and Suspension of Clearing

~~Upon the occurrence of a Termination Event pursuant to Number 3.5.1, a Termination Event pursuant to Number 3.5.2 or an Insolvency Termination Event pursuant to Number 3.5.4 with respect to the ISA Direct Light License Holder, Eurex Clearing AG may —if a reason to terminate by notice pursuant to Number 3.5.1, a Termination Event pursuant to Number 3.5.2 or an insolvency event according to Number 3.5.4 occurs—~~ suspend or restrict the Clearing of GC Pooling Repo Transactions with the affected ISA Direct Light License Holder; in particular, Eurex Clearing AG may one or more times suspend or restrict the novation of new GC Pooling Repo Transactions pursuant to Number 3.2 ~~under the Clearing Agreement~~ between Eurex Clearing AG and such ISA Direct Light License Holder. Eurex Clearing AG shall notify the respective multilateral trading facility and the ISA Direct Light License Holder of the decision to suspend or restrict the Clearing. Eurex Clearing AG shall specify, in the notification, a reasonable period of time during which such suspension or restriction shall apply.

[...]

3.9 Settlement Date Exposure Netting

The provisions under Part 2 Number 2.6 shall apply accordingly to an ISA Direct Light License Holder.

3.10 Termination of a Clearing Agreement with an ISA Direct Light License Holder

Each party to a Clearing Agreement with an ISA Direct Light License Holder may terminate ~~this such Clearing Agreement~~ at any time by giving not less than 30 calendar days' prior notice to the respective other party provided that such Clearing Agreement will remain applicable on the effective date of the termination notice and thereafter if and as long as any GC Pooling Repo Transactions entered into under such Clearing Agreement is outstanding and has not been redeemed or otherwise finally settled.

The right to terminate a Clearing Agreement with an ISA Direct Light License Holder for serious cause (*aus wichtigem Grund*) shall remain unaffected.

3.101 Change of Settlement or Collateral Management Infrastructure relating to GC Pooling Repo Transactions with an ISA Direct Light License Holder

Part 1 Number 1.5 (including, without limitation, the provisions on the GC Pooling Migration Date and the actions to be taken as a consequence set out in Part 1 Number 1.5 (7)) shall apply *mutatis mutandis* with respect to GC Pooling Repo Transactions to which an ISA Direct Light License Holder is a party and references in Part 1 Number 1.5 to the Clearing Member shall, for such purpose, be read as references to the relevant ISA Direct Light License Holder.
