

Eurex Clearing AG
ECAG Rule Certification 088-20
October 23, 2020

1. The text of the proposed amendments to the Clearing Conditions (“**Clearing Conditions**”) of Eurex Clearing AG (“**Eurex Clearing**”) is appended as Attachment A. Any additions are underlined and any deletions are struck through.
2. The date of intended implementation is November 13, 2020.
3. Attached please find a certification that: (1) these amendments comply with the Commodity Exchange Act (the “Act”), and the Commission’s regulations thereunder; and (2) concurrent with the filing of this submission, Eurex Clearing is posting a copy of this filing to its website at: <http://www.eurexclearing.com/clearing-en/resources/cftc-dco-filing>.
4. A concise explanation and analysis of the operation, purpose, and effect of the amended rule appears below.
5. There were no opposing views expressed regarding these amended rules.
6. Confidential treatment is not requested.

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

Eurex Clearing is proposing the following amendments:

1. Eurex Clearing is proposing to introduce certain provisions to the Clearing Conditions that allow Eurex Clearing to require clearing members that clear or intend to clear GC Pooling Repo Transactions (denominated in USD) to provide an amount of USD 25M to Eurex Clearing as part of their proprietary margin. Eurex Clearing envisages to make use of this provision at the end of November 2020, so that the respective clearing members are required to fulfill the USD Cash Margin Contribution obligation on December 1, 2020. In case a clearing member does not comply with this obligation, Eurex Clearing intends to suspend the respective clearing member from the clearing of further GC Pooling Repo Transactions denominated in USD.

If a clearing member stops clearing USD GC Pooling Repo Transactions, the clearing member can request the redelivery of USD posted to Eurex Clearing to comply with the USD Cash Margin Contribution requirement with a prior notice period of 90 days.

In case a clearing member fails to fulfill the USD Cash Margin Contribution requirement, Eurex Clearing intends to exercise its right to suspend the clearing member from clearing of GC Pooling

Repo Transactions (denominated in USD) as of February 1, 2021. However, the clearing member could still clear GC Pooling Repo Transactions denominated in EUR, GBP, and CHF.

If a clearing member, which is currently set up for the USD GC Pooling market, does not wish to provide the USD Cash Margin Contribution and does not intend to clear any further GC Pooling Repo Transactions (denominated in USD) any longer, the clearing member should notify Eurex Clearing accordingly. Eurex Clearing will then exempt the clearing member from the USD Cash Margin Contribution requirement.

For GC Pooling Repo Transactions (denominated in USD) a clearing member enters into after having received the GC Pooling USD Cash Margin Contribution notice, Eurex Clearing will introduce an amendment to the Clearing Conditions that gives Eurex Clearing the right to terminate the respective transactions and to enter into replacement transactions at the clearing member's costs. This amendment will not affect any GC Pooling Repo Transactions (denominated in USD), which were entered into by the clearing member before receipt of the GC Pooling USD Cash Margin Contribution notice and which will be settled as agreed.

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

2. To accompany the proposed introduction of the provisions relating to the USD Cash Margin Contribution, the cash handling fee (Number 9.1 (1) of the Price List) for USD delivered as a USD Cash Margin Contribution for the purpose of the USD GC Pooling license requirement will be reduced to 10 bps p.a. until further notice.

Further information regarding the operation, purpose, and effect of the proposed amendments is discussed in Eurex Clearing Circular 088-20, which is appended as Attachment A.

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

1. DCO Core Principle D (Risk Management): The proposed amendments will comply with DCO Core Principle D because the amendments propose to change a margin requirement for certain repo transactions denominated in USD, which Eurex Clearing clears outside of its DCO license, and Eurex Clearing will continue to comply with this Core Principle.

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

I hereby certify that:

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

/s/ Eric Seinsheimer

By: Eric Seinsheimer

Title: US CCO, Eurex Clearing AG

Dated: October 23, 2020