

Eurex Clearing AG
ECAG Rule Certification 096-21
October 29, 2021

1. The text of the proposed amendments to the Clearing Conditions (“Clearing Conditions”) of Eurex Clearing AG (“Eurex Clearing”) and FCM Regulations (“FCM Regulations”) of Eurex Clearing is appended as Attachment A. Any additions are underlined and any deletions are struck through.
2. The date of intended implementation is November 22, 2021.
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: <https://www.eurex.com/ec-en/rules-regs/regulations/cftc-dco-filings>.
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 to the Clearing Conditions and FCM Regulations:

1. Conversion of GBP, CHF, and JPY trades referencing LIBOR benchmarks to the corresponding risk-free rates (RfR)

As announced in prior Eurex Clearing circulars and a newsflash, Eurex Clearing will actively converting the remaining cleared legacy LIBOR-based interest rate swap and basis swap trades to standard and liquid RfR OIS trades before the fallback provisions are triggered. It is planned to execute the conversion of EurexOTC Clear trades referencing

- CHF LIBOR and JPY LIBOR starting on December 3, 2021 and executed over that weekend and
- GBP LIBOR starting on December 17, 2021 and executed over that weekend.

In this regard, Eurex Clearing Circular 096-21, which is appended as Attachment A, shall be an announcement of the respective Index Conversions pursuant to Chapter VIII Part 1 Number 1.8.3 Clearing Conditions and Chapter II Part 1 Number 1.8.3 FCM Regulations.

The conversion will be mandatory for all cleared OTC transactions referencing the CHF, JPY and GBP LIBOR floating rates on the above-mentioned dates. It will be effective as soon as it is reflected in Eurex Clearing's systems.

Attachment A provides further details on this conversion.

2. EurexOTC Clear Release 12.0: Support of clearing of Overnight Indexed Swap (OIS) with four Interest Rate Stub Periods

Currently, Eurex Clearing supports clearing of OIS with two non-standard shortened or extended calculation periods (Interest Rate Stub Periods) that relate to a time period after novation, whereby both Interest Rate Stub Periods must be either Interest Rate Front Stub Periods or Interest Rate Back Stub Periods. With EurexOTC Clear Release 12.0, clearing of OIS with four Interest Rate Stub Periods will be supported, i.e. for OIS, it will be eligible to have an Interest Rate Front Stub Period and an Interest Rate Back Stub Period on the same leg, if the other leg has also two Interest Rate Stub Periods. The proposed amendments implement this change.

3. C7 Release 8.0: Due date changes for certain cash settlements under options contracts on shares

With C7 Release 8.0, Eurex Clearing will change the due date for pure cash flows resulting from exercise/assignment of options contracts on shares (OSTK) (e.g. cash settled flexible contracts or settlement of fractions) from T+2 to T+1. The proposed amendments implement this change.

For avoidance of doubt, Eurex Clearing clears options contracts on shares (OSTK) outside the scope of its DCO license, which applies only to swaps.

4. Eurex Clearing is proposing further minor amendments to the Clearing Conditions and FCM Regulations as described in Attachment A.

Further information regarding the operation, purpose, and effect of the proposed amendments is discussed in Attachment A.

Eurex Clearing has identified the following DCO Core Principles as potentially being relevant to the above amendments:

1. DCO Core Principle C (Participant and Product Eligibility): The proposed amendments will comply with DCO Core Principles C because the amendments support the conversion of GBP, CHF, and JPY trades referencing LIBOR benchmarks to the corresponding risk-free rates (RfR) as well as clearing OIS with four Interest Rate Stub Periods, and all products cleared by Eurex Clearing under its DCO license will continue to be subject to appropriate standards in compliance with this Core Principle.
2. DCO Core Principle E (Settlement Procedures): The proposed amendments will comply with DCO Core Principle E because the amendments change the due date for certain cash settlements under options contracts on shares, which Eurex Clearing clears outside of the DCO license, and all products cleared by Eurex Clearing under its DCO license will continue to be subject to settlement procedures in compliance 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: <https://www.eurex.com/ec-en/rules-regs/regulations/cftc-dco-filings>.

/s/ Eric Seinsheimer

By: Eric Seinsheimer

Title: US CCO, Eurex Clearing AG

Dated: October 29, 2021