

Eurex Clearing AG
ECAG Rule Certification 028-23
May 8, 2023

1. The text of the proposed amendments to the Clearing Conditions (“Clearing Conditions”) of Eurex Clearing AG (“Eurex Clearing”) and FCM Default Rules (“FCM Default Rules”) 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 July 3, 2023. The proposed amendments are subject to a consultation process (“Consultation”). The Consultation will end with the expiry of June 6, 2023 (“Consultation Period”). The planned effective date is July 3, 2023, depending on the outcome of the Consultation, which will be communicated in a separate Eurex Clearing circular.
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

In accordance with Article 42 of Regulation (EU) No 648/2012 on OTC derivatives, central counterparties and trade repositories (“EMIR”), Eurex Clearing maintains a pre-funded Default Fund to cover losses that exceed the losses to be covered by the margin provided by the relevant Clearing Member. The Clearing Conditions in their current version foresee that a Clearing Member must provide additional Contributions to the Default Fund whenever Eurex Clearing adjusts the Contribution Requirement of the relevant Clearing Member and must do so within five business days. Possible delays in the provision of Default Fund Contribution could lead to inconsistencies between theoretically determined cover-2 requirements and available pre-funded resources. For this reason, Eurex Clearing considers a five-day delivery period as too long.

With the proposed amendment, the five-business day period will be reduced to a one-business day delivery period. Eurex Clearing holds the view that such change is needed to increase the robustness of the Default Fund and align with the industry standards.

Further information regarding the operation, purpose, and effect of the proposed amendments is discussed in Eurex Clearing Circular 028-23, 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 G (Default Rules and Procedures): The proposed amendments will comply with DCO Core Principle G because the amendments shorten the delivery period whenever Eurex Clearing requires additional Contributions to the Default Fund from a Clearing Member, which will increase the robustness of the Default Fund. Eurex Clearing will continue to have rules and procedures designed to allow for the efficient, fair, and safe management of events during which members or participants become insolvent or default.

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: May 8, 2023