

Eurex Clearing AG
ECAG Rule Certification 017-23
March 23, 2023

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 April 24, 2023.
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

As stated in Eurex Clearing Circular 022/21, Eurex Clearing will actively convert the remaining cleared legacy USD LIBOR-based Interest Rate Swaps (“IRS”) and basis swap trades to standard and liquid SOFR Overnight Index Swap (“OIS”) trades before the fallback provisions are triggered.

Forward Rate Agreements (“FRAs”) are out of scope for this transition as Eurex Clearing does not have any outstanding FRA transactions referencing USD LIBOR and with Eurex Clearing Circular 022/21, the clearing eligibility of FRAs referencing USD LIBOR with an expiry on or after April 1, 2023 was revoked.

It is planned to execute the conversion of such EurexOTC Clear trades starting on April 21, 2023 and executed over that weekend.

In this regard, this Eurex Clearing Circular shall be an announcement of the referred Index Conversion pursuant to Chapter VIII Part 1 Number 1.8.4 of the Clearing Conditions and Chapter II Part 1 Number 1.8.4 of the FCM Regulations.

The conversion will be mandatory for all cleared OTC transactions referencing the USD LIBOR floating rates on the above-mentioned date. It will be effective as soon as it is reflected in Eurex Clearing’s systems. Eurex Clearing will legally reflect the conversion as an amendment of the relevant transactions by replacing the references to USD LIBOR floating rates with the SOFR index underlying its fallback.

Further information regarding the operation, purpose, and effect of the proposed amendments is discussed in Eurex Clearing Circular 017-23, 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 C (Participant and Product Eligibility): The proposed amendments will comply with DCO Core Principle C because the amendments provide for the conversion of remaining legacy LIBOR-based IRS and basis swap trades to standard and liquid SOFR OIS trades, and Eurex Clearing’s product offering will continue to be pursuant to appropriate standards 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: March 23, 2023