

Chapter I of the Clearing Conditions of Eurex Clearing AG

General Provisions

As of 01.04.2019

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AMENDMENTS ARE MARKED AS FOLLOWS:

INSERTIONS ARE UNDERLINED

DELETIONS ARE CROSSED OUT

[...]

Clearing Conditions of Eurex Clearing AG

Preamble

As provided for in these clearing conditions of Eurex Clearing AG (hereinafter referred to as “**Clearing Conditions**”) Eurex Clearing AG, having its registered office in Frankfurt am Main, acts as central counterparty for (a) (i) transactions in securities and *Wertrechte*, including German book-entry securities (*Gutschriften in Wertpapierrechnung*) and Swiss intermediated securities (*Schweizer Bucheffekten*) (hereinafter together the “**Securities**”) and (ii) futures, options and other derivative transactions, which, in each case, result from either matching orders and quotes of trading participants (the “**Matching**”) on the markets Eurex Deutschland, Eurex Repo or another multilateral trading facility for Repo Transactions ~~and~~ Frankfurter Wertpapierbörse ~~and Irish Stock Exchange~~ (hereinafter collectively referred to as “**Markets**” and each a “**Market**”, each transaction resulting from Matching a “**Market Transaction**”), (b) novations of transactions executed over-the-counter (each transaction resulting from an over-the-counter transaction an “**OTC Transaction**”) or (c) novations of executed over-the-counter securities or cash lending transactions or securities lending transactions executed on Eurex Repo (each transaction resulting from a novation of any such **securities** (or cash) **lending transaction** a “**Securities Lending Transaction**”, and each Market Transaction, OTC Transaction and Securities Lending Transaction, a “**Transaction**”).

[...]

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Part 1 General Clearing Provisions

1 General Rules

1.1 Scope of Application

[...]

1.1.2 The Clearing Procedures refer to the following types of Transactions (each a **“Transaction Type”**): Transactions resulting from:

[...]

(3) the matching of orders and quotes regarding securities in the trading system of Frankfurter Wertpapierbörse (**“FWB”**) or the novation of trades concluded off-exchange, in each case pursuant to Chapter V Part 2 (the resulting Transactions being referred to as **“FWB Transactions”**);

~~(4) the matching of orders and quotes regarding securities in the trading system of the Irish Stock Exchange (**“ISE”**) pursuant to Chapter VI (the resulting Transactions being referred to as **“ISE Transactions”**);~~

(45) the novation (i) of over-the-counter transactions in interest rate derivatives pursuant to Chapter VIII Part 2 (the resulting Transactions being referred to as **“OTC Interest Rate Derivative Transactions”**), (ii) over-the-counter FX spot transactions, over-the-counter FX forward transactions and over-the-counter FX swap transactions pursuant to Chapter VIII Part 3 (the resulting Transactions being referred to together as **“OTC FX Transactions”**) and (iii) over-the-counter cross currency swap transactions pursuant to Chapter VIII Part 4 (the resulting Transactions being referred to as **“OTC XCCY Transactions”**);

(56) the novation of securities lending transactions pursuant to Chapter IX (the resulting Transactions being **“Securities Lending Transactions”**).

[...]

1.2.4 Certain Definitions and Interpretation

In these Clearing Conditions:

(1) **“Business Days”** means

(a) for the Clearing of Eurex Transactions (Chapter II): the exchange days determined by the management board of the Eurex Exchange;

(b) for the Clearing of Eurex Repo Transactions and Original MTF Repo Transactions (Chapter IV): the trading days determined by the management board of Eurex Clearing AG;

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(c) for the Clearing of FWB Transactions (Chapter V Part 1 and 2): the exchange days determined by the management board of FWB;

~~(d) for the Clearing of ISE Transactions (Chapter VI): the days determined by Eurex Clearing AG on which a clearing of ISE Transactions is carried out;~~

(de) for the Clearing of OTC Interest Rate Derivative Transactions, OTC FX Transactions and OTC XCCY Transactions (Chapter VIII): the days determined by the Executive Board of Eurex Clearing AG;

(ef) for the Clearing of Securities Lending Transactions (Chapter IX): the days determined by the Executive Board of Eurex Clearing AG; and

(fg) in any other case, a day (other than Saturday or Sunday) on which commercial banks in Frankfurt am Main, Germany, are open for general business.

[...]

[...]

2.1.2 General Prerequisites for Clearing Licenses

[...]

(3) The applicant for a Clearing License must

[...]

Regulatory capital is considered equivalent when it is (i) used as a measure of adequate solvency for the applicant by its competent supervisory authority, (ii) reported to the applicant's competent supervisory authority on a regular basis and (iii) audited at least yearly.

(a) In case an applicant applies for multiple Clearing Licenses covering multiple Transaction Types, the required own funds are calculated as follows:

~~(aa) Unless specifically provided otherwise in (bb) below, the~~ The own funds required for multiple Clearing Licenses is the sum of the own funds required for each Clearing Licence.

~~(bb) When calculating the liable equity capital for granting a Clearing License for FWB Transactions (Chapter V Part 1 and 2), those own funds shall be taken into account which the applicant has already provided evidence for due to the granting of a Clearing License for ISE Transactions (Chapter VI) and vice versa.~~

(b) The own funds or equivalent regulatory capital shall be calculated in accordance with the supervisory provisions applicable to the relevant applicant.

[...]

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[...]

3 General Provisions regarding Margin

[...]

3.1 Margin Requirement and Types of Margin

[...]

3.1.4 Each margin requirement calculated by Eurex Clearing AG shall equal, in respect of a Transaction or a group of Transactions after a netting thereof, if applicable, the sum of the Current Liquidating Margin requirement and the Premium Margin requirement and the Additional Margin requirement and the Initial Margin requirement and any other margin type requirement, as specified in the Special Clearing Provisions, (the “**Margin Type**”) and, in the case of an intra-day Margin Call (as defined in Number 3.3.1), amounts as determined by Eurex Clearing AG to cover potential payments of Variation Margin, IRS STM Amounts (as defined in Chapter VIII Part 2), IRS PAA (as defined in Chapter VIII Part 2), Currency STM Amounts (as defined in Chapter VIII Part 3) or Currency PAA (as defined in Chapter VIII Part 3) that the Clearing Member or the Basic Clearing Member, as relevant, may owe in respect of each Standard Agreement during the end-of-day settlement cycle. The Current Liquidating Margin requirement and the Additional Margin requirement apply to all securities transactions (*Wertpapiergeschäfte*) pursuant to Chapters II through VI.

3.1.5 The “**Current Liquidating Margin**” requirement equals the value of loss Eurex Clearing AG would suffer as of the time of the determination of the margin requirement from a closing of a Transaction by entering into an inverse transaction (*Glattstellung*) being subject to such margin requirement taking into account cash and securities positions under those Transactions separately. Each cash position shall be determined by discounting it with the current market interest rate (calculation of cash value on the valuation date). Each securities position shall be valued after the end of trading of the respective Market on the basis of the Daily Settlement Price (as defined, in each case, in Chapter II-VI) taking into account any accrued interest, if applicable.

[...]

Part 6 Basic Clearing Member Provisions

1 Application of the Basic Clearing Member Provisions

[...]

1.3 Basic Clearing Member Transactions may only be Market Transactions (except for Eurex Transactions and, FWB Transactions ~~and ISE Transactions~~) or OTC Interest Rate

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Derivative Transactions. Market Transactions and OTC Transactions are concluded in accordance with the following provisions:

- (1) Whenever an order or quote entered into the trading systems of a Market by a Basic Clearing Member or a Clearing Agent acting on behalf of the Basic Clearing Member is matched with another order or quote, in each case a Market Transaction with identical terms shall be concluded between Eurex Clearing AG and the relevant Basic Clearing Member.

[...]
