

Chapter VIII of the Clearing Conditions of Eurex Clearing AG

# Clearing of OTC Interest Rate Derivative Transactions, OTC FX Transactions and OTC XCCY Transactions

As of 19.09.2019

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AMENDMENTS ARE MARKED AS FOLLOWS:

INSERTIONS ARE UNDERLINED

DELETIONS ARE CROSSED OUT

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[...]

## Part 2 Clearing of OTC Interest Rate Derivative Transactions

[...]

### 2.5 Interest Rate Derivatives Multilateral Compression

- (1) Eurex Clearing AG may from time to time agree with one or more Clearing Members or FCM Clearing Members on the amendment and/or termination of CCP Transactions and/or Swap Transactions that are OTC Interest Rate Derivative Transactions or Interest Rate Derivative Transactions (as defined in Chapter I Number 1.1.5 of the FCM Regulations) and their subsequent replacement with other CCP Transactions and/or Interest Rate Derivative Transactions, respectively, whose combined notional value is less than that of the terminated CCP Transactions (a **"Interest Rate Derivatives Multilateral Compression"**). [...]
- (2) The process leading to an Interest Rate Derivatives Multilateral Compression (an "Interest Rate Derivatives Compression Run") is operated by a third party compression services provider appointed by Eurex Clearing AG (an "Interest Rate Derivatives CSP") and carried out on the basis of documentation as agreed between Eurex Clearing AG, the relevant Interest Rate Derivatives CSP and the Clearing Members and FCM Clearing Members participating in the Interest Rate Derivatives Compression Run (the "Interest Rate Derivatives Compression Documentation"). In case of any discrepancies between the Interest Rate Derivatives Compression Documentation and the Clearing Conditions, the Clearing Conditions shall prevail.
- (3) An Interest Rate Derivatives Multilateral Compression shall be deemed completed as soon as all acts required by the respective Interest Rate Derivatives Compression Documentation for a compression are fulfilled (this point in time the "Interest Rate Derivatives Compression Time"). If TriOptima AB ("TriOptima") acts as the Interest Rate Derivatives CSP, an Interest Rate Derivatives Multilateral Compression

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takes place by way of novation on the terms of a proposal of TriOptima AB (Accepted Unwind Proposal) and as of the time when TriOptima AB receives the respective clearing confirmation from Eurex Clearing AG (Eurex Clearing Confirmation) ~~(the “Interest Rate Derivatives Compression Time”).~~ If Capitalab, BGC Brokers LP (“Capitalab”) acts as the Interest Rate Derivatives CSP, an Interest Rate Derivatives Multilateral Compression takes place by way of novation on the terms of a proposal of Capitalab (Accepted Unwind Proposal) and as of the time when Capitalab receives the respective acceptance from Eurex Clearing AG of said proposal.

### 2.5.1 Interest Rate Derivatives Compression Run

- ~~(1) The process leading to an Interest Rate Derivatives Multilateral Compression (an “Interest Rate Derivatives Compression Run”) is operated by a third party compression services provider appointed by Eurex Clearing AG (an “Interest Rate Derivatives CSP”) and carried out on the basis of documentation as agreed between Eurex Clearing AG, the relevant Interest Rate Derivatives CSP and the Clearing Members and FCM Clearing Members participating in the Interest Rate Derivatives Compression Run (the “Interest Rate Derivatives Compression Documentation”).~~
- (21) Participation by a Clearing Member in an Interest Rate Derivatives Compression Run presupposes that the Clearing Member:
- (a) is a party to the respective Interest Rate Derivatives Compression Documentation up to and including the Interest Rate Derivatives Compression Time;
  - (b) is eligible to participate in the Interest Rate Derivatives Compression Run according to the requirements determined by Eurex Clearing AG and those set out in the respective Interest Rate Derivatives Compression Documentation; and
  - (c) has nominated those CCP Transactions which it wishes to make available for Interest Rate Derivatives Multilateral Compression in accordance with the respective Interest Rate Derivatives Compression Documentation.
- (32) In relation to each Interest Rate Derivatives Compression Run, Eurex Clearing AG will instruct the Interest Rate Derivatives CSP according to the respective Interest Rate Derivatives Compression Documentation to:
- (a) notify Clearing Members meeting the criteria under Paragraph (21) of the timing and procedure for the Interest Rate Derivatives Compression Run;
- [...]
- (c) communicate such Interest Rate Derivatives Compression Proposal to each participating Clearing Member for acceptance in the manner contemplated in the respective Interest Rate Derivatives Compression Documentation.

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(43) Eurex Clearing AG reserves the right to determine in its sole discretion whether CCP Transactions proposed for inclusion in an Interest Rate Derivatives Compression Run may be so included.

(54) Eurex Clearing AG may disclose details of any CCP Transaction to be included in an Interest Rate Derivatives Compression Run and related information in respect of participating Clearing Members to the Interest Rate Derivatives CSP in order to facilitate the Interest Rate Derivatives Compression Run.

(65) In order to facilitate the Interest Rate Derivatives Compression Run, Eurex Clearing AG may lock CCP Transactions which are included in an Interest Rate Derivatives Compression Run for such processing as described in Numbers 2.6 to 2.8 (Trade Netting and Accumulation, Transfer of CCP Transactions and Account Transfer and Termination).

(76) The Interest Rate Derivatives CSP will provide information on termination fees related to an Interest Rate Derivatives Compression Run to Eurex Clearing AG on trade level per Clearing Member. Number 2.1.5.1 Paragraph (3) applies *mutatis mutandis* to such termination fees.

## 2.5.2 Acceptance of Interest Rate Derivatives Compression Proposal

(1) Interest Rate Derivatives Multilateral Compression shall take place in accordance with the terms of an Interest Rate Derivatives Compression Proposal which has been accepted by all participating Clearing Members and FCM Clearing Members in the manner and by the time specified in the respective Interest Rate Derivatives Compression Documentation. [...]

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