Chapter II: Special Provisions for Clearing of Interest Rate Derivative Transactions

# FCM Regulations of Eurex Clearing AG

As of 03.02.2020

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AMENDMENTS ARE MARKED AS FOLLOWS:

INSERTIONS ARE UNDERLINED,

DELETIONS ARE CROSSED OUT.

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[…]

## Part 2 Clearing of Interest Rate Derivative Transactions

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### 2.6 Trade Netting and Accumulation

[…]

#### 2.6.1 Inclusion of Swap Transactions in the Netting and Accumulation Process

[…]

(3) Swap Transaction will be netted and/or accumulated, if the Swap Transactions have been designated for netting and/or accumulation, as the case may be, by the FCM Clearing Member, including when acting as agent on behalf of the relevant FCM Client, in the system of Eurex Clearing AG ~~(“**Interest Rate Optional Netting**”)~~. Such designation shall be submitted no later than by 10:00 p.m. (Frankfurt am Main time) on the relevant Business Day.

~~(4) Instead of Interest Rate Optional Netting, an FCM Clearing Member may select (i) that all Own Transactions are netted or accumulated, as the case may be, at the end of each Business Day and (ii) that all FCM Client Transactions in an FCM Client Transaction Account are netted or accumulated, as the case may be, at the end of each Business Day.~~

#### 2.6.2 Netting and Accumulation Procedure

[…]

(3) If the Swap Transactions subject to netting or accumulation are all ISDA Interest Rate Derivative Transactions only, the remaining Swap Transactions for which there is no counterposition with which they can be netted will be novated to ISDA Interest Rate Derivative Transactions.

[…]

"**Netting Levels**" are rule sets to be selected by the FCM Clearing Member for each FCM Clearing Member Own Transaction Account or FCM Client Transaction Sub-Account, respectively, defining to which degree t~~T~~rade c~~C~~riteria must match, where a higher level improves the netting efficiency by requiring a lower degree of matching t~~T~~rade c~~C~~riteria.

(4) The netting and~~or, if applicable,~~ the accumulation, respectively, of the Swap Transactions will become effective when the Swap Trade Daily Summary Report, in which such event is included, is made available to the FCM Clearing Members, including when acting as agent on behalf of the relevant FCM Client.

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