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# eurex clearing *circular 084/12*

**Date:** 5 October 2012
**Recipients:** All Clearing Members of Eurex Clearing AG and Vendors
**Authorized by:** Thomas Book

## 1. New procedure for maintenance of cash balance in segregated cash collateral pools

## 2. Extension of deadlines for cash collateral deposits in currencies CHF, GBP and USD

**Related Eurex circular:** 250/11

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| **Content may be most important for:** | **Attachments:** |
|---|---|
| Ü All departments | none |


**Summary:**

As of **10 October 2012**, the procedure for maintaining the cash balance of cash collateral pools for segregated clients with pool type “Omnibus Segregated” and “Fully Segregated” will change so that it will no longer be possible to use the Permanent Cash Balance functionality. All cash deposited in a segregated pool will remain until its withdrawal is requested by the Clearing Member. The new procedure will be applied to all currencies (Swiss franc, euro, British pound, U.S. dollar).

There will be no change in the procedure for non-segregated (i.e. “Default” type) collateral pools.

Effective **10 October 2012**, the current deadlines for the intraday cash collateral deposit requests via the Eurex @X-tract Clearing GUI will be extended for the currencies Swiss franc, British pound and U.S. dollar.

The deadline for euro cash collateral deposit requests will remain unchanged (14:00 CET). The current deadlines for cash collateral release requests via the Eurex @X-tract Clearing GUI remain unchanged for all currencies.



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HRB Nr. 44828
Amtsgericht Frankfurt/Main

## 1. New procedure for maintenance of cash balance in segregated cash collateral pools

Currently, the Permanent Cash Balance (PCB) functionality allows maintaining a constant cash balance in segregated collateral pools for the Clearing Member and its segregated clients. For this purpose, the Clearing Member can set PCB values for each individual currency in the Eurex @X-tract Clearing GUI.

Unless a PCB value is set by the Clearing Member, the following rules currently apply for cash deposited with Eurex Clearing to cover margin requirements:

- Excess collateral at Clearing Member level is automatically paid back the next day in the morning (based on the previous end-of-day processing)
- All cash in a segregated pool for a client is automatically paid back the next day in the morning (based on the previous end-of-day processing)

As of 10 October 2012, the procedure for maintaining the cash balance in cash collateral pools for segregated clients with pool type “Omnibus Segregated” and “Fully Segregated” will change so that it will no longer be possible to use the PCB functionality. All cash deposited in a segregated pool will remain until its withdrawal is requested by the Clearing Member. Therefore, cash in the segregated pools will not be automatically returned to the Clearing Members the next day in the morning (based on the previous end-of-day processing).

However, the change in maintaining the cash balance of cash collateral pools for segregated clients will not disable the PCB functionality in the Eurex @X-tract Clearing GUI. Clearing Members will still have access to this functionality in the system, but the values entered for the PCB will be ignored and no booking (i.e. deposit or withdrawal) will be initiated by the system. Therefore, all cash will remain in the segregated pools until it is withdrawn by the Clearing Member, regardless of the values entered for the PCB.

The new procedure will be applied to all currencies (Swiss franc, euro, British pound, U.S. dollar) in segregated client pools.

Clearing Members will be able to perform cash deposits and withdrawals only as a standard procedure in the Eurex @X-tract Clearing GUI (through the **Collateral Transaction Entry** window).

There will be no change in the maintenance of cash balances of non-segregated (i.e. “Default” type) collateral pools.

Eurex Clearing Operations will be available for feedback and assistance at tel. +49-69-211-1 12 50 between 07:00–22:30 CET.

## 2. Extension of deadlines for cash collateral deposits in CHF, GBP and USD

Effective 10 October 2012, the current deadlines for the intraday cash collateral deposit requests via the Eurex @X-tract Clearing GUI will be extended for the currencies Swiss franc, British pound and U.S. dollar as follows:

| Currency | Current Deadline | New Deadline |
|---|---|---|
| CHF | 09:00 CET | 13:30 CET |
| GBP | 09:00 CET | 16:30 CET |
| USD | 17:30 CET | 21:00 CET |

The deadline for euro cash collateral deposit requests will remain unchanged (14:00 CET). The current deadlines for cash collateral release requests via the Eurex @X-tract Clearing GUI remain unchanged for all currencies.

Please find an overview of all deadlines for cash deposit and release requests that will be effective as of 10 October 2012 in below table:

| Currency | Deadline for Release Requests | Deadline for Deposit Requests |
|---|---|---|
| CHF | 09:30 CET | 13:30 CET |
| GBP | 09:30 CET | 16:30 CET |
| USD | 09:30 CET | 21:00 CET |
| EUR | 09:30 CET | 14:00 CET |

After these deadlines, Members cannot enter any cash deposit requests in the system.

The deadlines for calculation of interest on cash collateral remain unchanged as shown in the table below:

| Currency | Deadline for Interest Calculation |
|---|---|
| CHF | 10:00 CET |
| GBP | 10:00 CET |
| USD | 21:00 CET |
| EUR | 15:00 CET |

These deadlines are used to determine the credit balance for the calculation of interest.

Eurex Clearing Operations will be available for feedback and assistance at tel. +49-69-211-1 12 50 between 07:00–22:30 CET.

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