

clear to trade



eurex clearing circular 095/14

Date: 18 July 2014
Recipients: All Clearing Members, Non-Clearing Members and Registered Customers of Eurex Clearing AG and Vendors
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**GC Pooling®: Shift of settlement start time for USD GC Pooling®,
planned extension of USD GC Pooling® to further baskets**

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Content may be most important for:

Ü All departments

Attachment:

Updated sections of the Clearing Conditions for Eurex Clearing AG

Summary:

In anticipation of the planned extension of USD GC Pooling® to the ECB EXT and INT MXQ (International Maximum Quality) baskets, the start time of USD GC Pooling® settlement will be changed from 11:00 to 14:30 CET/CEST beginning on **25 August 2014**.

This circular also highlights the updated sections of the Clearing Conditions for Eurex Clearing AG with respect to the above-mentioned initiative.



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**GC Pooling®: Shift of settlement start time for USD GC Pooling®,
planned extension of USD GC Pooling® to further baskets**

1. Change of settlement start time for GC Pooling® in U.S. dollar (USD GC Pooling®)

Currently, the settlement start time for USD GC Pooling® is 11:00 CET/CEST. With the planned extension of USD GC Pooling® to the GC Pooling® ECB EXTended and GC Pooling® INT MXQ (International Maximum Quality) baskets later this year, higher settlement volumes in U.S. dollar are expected. To prepare for this extension, Eurex Clearing will change the start of the USD GC Pooling® settlement to 14:30 CET/CEST. Shift of the settlement start time aims at improving the Members' opportunities for funding their payment obligations and will thereby guarantee the continued high level of settlement efficiency currently being offered. This change will come into effect on 25 August 2014.

2. Planned extension of USD GC Pooling® to further baskets

At this stage only the GC Pooling® ECB basket can be traded against U.S. dollar. In the course of October 2014, extension to the GC Pooling® EXTended basket and the GC Pooling® INT MXQ basket with the standard trading terms excluding the overnight trading term (front leg settlement date same as trade date) is envisaged.

3. Amendments to the Clearing Conditions for Eurex Clearing AG

The amended sections of the Clearing Conditions for Eurex Clearing AG regarding the above-mentioned change in the USD GC Pooling® settlement starting time can be found in the attachment o this circular.

As of 25 August 2014, the full amended Clearing Conditions will be available for download on the website of Eurex Clearing www.eurexclearing.com under the following link:

[Resources > Rules and Regulations > Clearing Conditions](#)

Pursuant to Chapter I, Part 1, Number 17.2.3 of the Clearing Conditions, the changes and amendments to the Clearing Conditions communicated with this circular shall be deemed to have been accepted by each Clearing Member, Non-Clearing Member and each Registered Customer, unless they object in writing to Eurex Clearing AG prior to the actual effective date of such change and amendment of the Clearing Conditions. The right to terminate the Clearing Agreement or the Clearing License according to Chapter I, Part 1, Number 2.1.4 Paragraph 2 Number 7.2.1 Paragraph 4 and Number 13 of the Clearing Conditions shall remain unaffected.

18 July 2014

AMENDMENTS ARE MARKED AS FOLLOWS:

INSERTIONS ARE UNDERLINED

DELETIONS ARE CROSSED OUT

[...]

Chapter IV Clearing of Transactions at Eurex Repo GmbH (Eurex Repo)

[...]

Part 2 Clearing of Transactions at Eurex Repo GmbH

[...]

2.2 General Provisions

[...]

- (2) The procedure for delivery and payment resulting from Eurex Repo Transactions, the following provisions shall apply in addition to Chapter I, Part 1, Numbers 1.2.5 and 1.4:

[...]

- (d) Delivery and payment with regard to GC Pooling Repo transactions:

[...]

With regard to GC Pooling transactions settled in Euro on a Business Day other than the trade date, any delivery or payment incumbent on the Clearing Member must be made available for settlement in such a way that the Clearing Member is able to fulfil its obligations vis-à-vis Eurex Clearing AG for the relevant day of performance during the first Same Day Settlement run of the day ("**SDS1**") of Clearstream Banking AG. With regard to GC Pooling transactions settled in currencies other than Euro on a Business Day other than the trade date, any delivery or payment incumbent on the Clearing Member must be made available for settlement in such a way that the Clearing

Member is able to fulfil its obligations vis-à-vis Eurex Clearing AG until ~~11:30 a.m.~~ 3:00 p.m. CET on the relevant day of performance.

[...]

2.6 Failure to Deliver

- (1) Any failure to make a payment or delivery when due shall be governed by the following procedure:
- (a) Failure to Deliver by the delivery day of the Front Leg:

[...]

If, as opposed to the provisions in Chapter IV Number 2.2 Paragraph (2) (d), a Clearing Member does not comply with its obligation to perform during SDS1 with regard to GC Pooling transactions in Euro or until ~~11:30 a.m.~~ 3:00 p.m. CET with regard to GC Pooling transactions in currencies other than Euro respectively, it may – irrespective of the above provision – be in intraday default. To the extent a Clearing Member is in intraday default, Eurex Clearing AG may charge an expense allowance of EUR 2,000 for each defaulting GC Pooling Repo Transaction to cover its operative additional expenditure. Furthermore, Eurex Clearing AG shall be entitled to invoice the Clearing Member – until such point in time on which the obligation to perform is fulfilled – for any interim financing costs incurred, up to the value of the STOXX GC Pooling EUR ON Index (“**SGCPON**”) published by Bloomberg or Reuters plus 50 basis points p.a., in relation to the value of the underlying GC Pooling Transaction or the due cash amount respectively.

- (b) Failure to Deliver by the delivery day of the Term Leg

[...]