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eurex clearing *circular 279/08*

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High priority

Migration to the TARGET2 Payment System: Information on Modification of Clearing Conditions

Related Eurex Circulars: 171/07, 121/08, 229/08

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Content may be most important for:	**Attachments:**
➲ All departments	Updated Sections of Clearing Conditions of Eurex Clearing AG

With Eurex circulars 171/07, 121/08 and 229/08 we informed you about the migration to the TARGET2 Payment System which will take place on **December 1, 2008**.

The conversion to the TARGET2 payment system is mandatory for each Eurex Clearing Member since otherwise requirements for the clearing licence will no longer be fulfilled as of December 1, 2008.

The attached document contains updated sections of the Clearing Conditions of Eurex Clearing AG in conjunction with the migration to the TARGET2 Payment System and some editorial modifications of the document.

Clearing Conditions for Eurex Clearing AG

[...]

Chapter I
General Provisions

Part 2
Clearing License

2.1 Granting of Clearing Licenses

(1) In order to participate in Clearing

a) in respect of transactions of Futures contracts and Options contracts carried out at Eurex Deutschland and Eurex Zürich pursuant to Chapter II, including Eurex Contracts concluded off-exchange and Eurex Contracts concluded off-exchange whose specifications deviate from the Contract Specifications of Eurex Contracts according to Eurex Clearing AG (referred to as "Eurex transactions");

b) in respect of transactions of securities at Eurex Bonds GmbH ("Eurex Bonds") pursuant to Chapter III;

c) in respect of transactions of securities at Eurex Repo GmbH ("Eurex Repo") pursuant to Chapter IV;

d) in respect of transactions of securities at Frankfurter Wertpapierbörse ("FWB") pursuant to Chapter V;

e) in respect of transactions of securities at Irish Stock Exchange ("ISE") pursuant to Chapter VI;

f) in respect of transactions in Futures contracts and Options contracts at EEX pursuant to Chapter VII, including EEX contracts concluded off-exchange (together referred to as "EEX transactions"),

Eurex Clearing AG may grant one License each upon written application.

To the extent a Link Clearing House has entered into a Clearing Link Agreement with Eurex Clearing AG in order to participate in the clearing procedure of Eurex Clearing AG, granting of one of aforementioned clearing licenses is not necessary. The authorization of the Link Clearing House to participate in the clearing procedure of Eurex Clearing AG shall be ruled in the Clearing Link Agreement.

(2) A Clearing License is issued either as a General Clearing License or a Direct Clearing License. General Clearing or Direct Clearing Licenses shall be granted with the conclusion of the appropriate Clearing Agreement, in the form appended to these Clearing Conditions. A General Clearing License entitles the holder thereof to clear its own transactions, customers' transactions as well as transactions of Trading Participants without Clearing Licenses (Number 1. 7 Paragraph 1). A Direct Clearing License

entitles the holder thereof to clear its own transactions, customers' transactions as well as transactions of affiliated Trading Participants without Clearing Licenses (Number 1. 7 Paragraph 2).

(3) A Clearing License may be applied for by:

a) Any institution domiciled in a country of the European Union or in Switzerland[1] provided that this institution has been licensed by the responsible authorities of its country of origin, the license covers the conduct of safe custody business, lending operations and the receipt of collateral in the form of cash or securities, and said institution is under surveillance of the responsible authorities according to the regulatory standards of the European Union or, if domiciled in Switzerland, by the Swiss Banking Commission (Eidgenössische Bankenkommission).

b) In individual cases, Eurex Clearing AG may – as an exception – grant a Clearing License to an institution upon written application even if such applying institution's license by the responsible authorities of its country of origin does not cover the conduct of safe custody business, lending operations and / or the receipt of collateral in the form of cash or securities.

c) Any branch of institutions within the meaning of § 53, 53 b or 53 c KWG provided that the respective branch, branch office or institution shows compliance with the conditions set forth in Item a and Number 2.2.

d) Any branch within the meaning of Art. 2 Paragraph 1 of the Swiss Federal Banking and Savings-Bank Act in connection with Section 1 et seq. of the Regulation of the Swiss Banking Commission (Eidgenössische Bankenkommission) concerning Foreign Banks in Switzerland, if said branch shows compliance with the conditions set forth in Number 2.2.

e) Any other branch domiciled in a country of the European Union ("host member state") provided that the respective main office (financial institution, securities trading enterprise) domiciled in a country of the European Union ("home member state") has been licensed by, and is under the corresponding supervision of, its national supervisory authority for custodian services, lending operations and receipt of collateral in the form of securities and cash; that there are no legal restrictions in the home member state for institutions domiciled in a country of the European Union to establish subsidiaries abroad; that a notification procedure has been completed in the host member state; and that the subsidiary or the institution complies with the requirements of Number 1.1.2.

[1] If other countries are to be included in the so-called "Remote Clearing", the Management Board of Eurex Clearing AG may take such decision after investigating the legal and regulatory framework.

(4) Institutions within the meaning of Paragraph 3 Items c, d and e must guarantee in writing that, upon the first request of Eurex Clearing AG, they will meet all obligations of its branches, its offices or its branch offices out of the clearing activities without limitation. In order to verify the legal validity of this guarantee, Eurex Clearing AG may demand from said institution at their expense all necessary information and evidence, including the opinion of a legal expert designated by Eurex Clearing AG.

[...]

2.2 Prerequisites for Clearing Licenses

[...]

(4) The applicant shall meet the following additional requirements:

a) Evidence shall be provided for a pledged securities account with Clearstream Banking AG or with SegaIntersettle AG.

b) Evidence shall be provided for at least one securities account and a corresponding cash account at a bank for central depository of securities which is recognised by Eurex Clearing AG or respectively at a Custodian or a Central Securities Depository by which the settlement of securities held in collective safe custody is possible, as well as evidence for another securities account and a corresponding cash account at a bank for central depository of securities which is recognised by Eurex Clearing AG or respectively at a Custodian or a Central Securities Depository by which the settlement of securities held in cash account (Treuhandgiroverkehr) is possible. Upon written request of a Clearing Member, Eurex Clearing AG may do without evidence of a further securities account and a corresponding cash account. In case the settlement of securities held in collective safe custody or cash account (Treuhandgiroverkehr) can be carried out via only one securities account and a corresponding cash account, such evidence will also be accepted.

c) Evidence shall be provided for ~~an~~ the following accounts ~~at a branch of the Central Bank of Germany (Deutsche Bundesbank) or an account at the Schweizerische Nationalbank ("SNB"), including a Swiss Interbank Clearing AG account (the "SIC account")~~ for the provision of ~~daily~~ securities in cash~~.~~

aa) for cash netting in Euro:

- an account within the payment module at a central bank of the Euro system which participates in TARGET2 with its TARGET2 component system or an account at another central bank which is no central bank of the Euro system and, due to a special agreement, connected to TARGET2 (hereinafter respectively referred to as "RTGS Account") or

- an account at the SECB Swiss Euro Clearing Bank ("SECB Account") and

- an account at the Swiss Interbank Clearing AG ("euroSIC Account")

bb) or for cash netting in CHF:

- an account with the Swiss National Bank ("SNB Account") and

- an account with the Swiss Interbank Clearing AG ("SIC Account").

Eurex Clearing AG may, upon written application, allow the use of accounts of a correspondent bank recognised by Eurex Clearing AG.

[...]

2.4 Termination and Suspension of Clearing Licenses

[...]

(2) A General or Direct Clearing License

[...]

d) shall expire if insolvency proceedings regarding the assets of a Clearing Member have been opened pursuant to the Insolvency Code (dated 5 October 1994; BGBl. I S. 2866); (hereinafter "InsO"). The opening of insolvency proceedings pursuant to InsO is comparable to respective measures and proceedings pursuant to the laws of the state of the Clearing Member's registered offices.

For this event, it shall be agreed pursuant to § 104 Paragraph 3 InsO, that the claims arising from non-performance of transactions of the Clearing Member shall aim at the difference between the respectively agreed price and the market- or Exchange price of these transactions which is relevant for transactions with the agreed performance time at a market named in one of the following Chapters ~~II et sqq.~~ on the day of opening of insolvency proceedings.

For determination of the claims resulting from non-performance ("Final Unilateral Difference Claim"), the regulations in Chapter I Number 6.2 et sqq. and Number 8.2 et sqq. Apply accordingly.

[...]

Part 3
Margin and Security Interest Rights

3.1 Obligation to Provide Margin

(1) On every Exchange day (Number 1.1 Paragraph 6), each Clearing Member is required to maintain margin in the amount to be determined by Eurex Clearing AG to cover all of its obligations resulting from the transactions concluded on the markets listed in the following Chapters; such margin may be in cash, or in securities or book-entry securities (Wertrechte) acceptable to Eurex Clearing AG. Eurex Clearing AG shall calculate the amount of margin from the total sum of the obligations of the Clearing Member. The total sum of the obligations shall result from the sum of the own- and customer account for CM Transactions and of the obligations of the Clearing Member booked in the own- and customer account for NCM Transactions.

(2) The cash and securities positions underlying each transaction shall be handled 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 end of trading of the respective market on basis of the price usual in the market (under appropriate consideration of accrued interest).

(3) In addition to the margin pursuant Paragraph 2, another margin (Additional Margin) shal be determined by Eurex 0Clearing AG, such Additional Margin considering the closing expenses of delivery obligations of the Clearing Member in securities, rights or emission rights which cannot be compensated pursuant to Paragraph 2. The Additional Margin covers the change of closing expenses in the event of a disadvantageous price development in the securities, rights or emission rights underlying the respective transaction for the period from the open delivery obligation resulting from the transaction until the next margin calculation.

(4) Should the margin already provided be insufficient to provide the cover required for the next Business day, the shortfall shall be transferred by the time specified by Eurex Clearing AG on such Business day to Eurex Clearing AG's RTGS aAccount, ~~at a branch of the Central Bank of Germany (Deutsche Bundesbank)~~ or ~~at the Swiss National Bank (SNB)~~the euroSIC Account or the SIC Account. However, margin must generally be provided prior to the commencement of trading on the markets listed in the following Chapters.

(5) The sum of all margin caculated pursuant to Paragraph 2 to 4 shall result in the total margin for one account. The margin calculated for the Principal- and Agent account for CM Transactions shall be added up. This shall apply accordingly for the Principal- and Agent account for NCM Transactions. Credit shall not be taken into account respectively. In order to determine the total provision of margin of a Clearing Member, the margin calculated for CM Transactions pursuant to Clause 2 and for NCM Transactions pursuant to Clause 3 shall be added up. Credits shall not be taken into account.

(6) Eurex Clearing AG shall determine the method to be used for calculating the required margin and shall communicate such method to the Clearing Members.

(7) Clearing Members must require their Non-Clearing Members to provide margin in an amount at least equal to that determined by the method prescribed by Eurex Clearing AG. They must disclose their calculation methods to their Non-Clearing Members on request.

(8) Additional basics of the determination of margin for transactions concluded on the markets listed in the following Chapters whose clearing is carried out by Eurex Clearing AG are subject to the particular provisions valid for the respective market in the following chapters.

(9) The regulations in the Paragraphs 1 to 8 shall not apply to Link Clearing Houses. The calculation of margin between Eurex Clearing AG and Link Clearing Houses shall be subject to the Link Clearing Agreement to be respectively concluded separately.

3.2 Supplementary Margin Requirements

Eurex Clearing AG reserves the right to demand at any time during the Business day that one of its Clearing Members maintain a higher or supplementary margin in cash or in securities or book-entry securities acceptable to Eurex Clearing AG on the basis of the risk assessment made by Eurex Clearing AG in the course of an Exchange day. Clause 1 applies irrespective of whether a daily settlement price was already determined on the Business day. Supplementary margin must be transferred immediately in the appropriate currency to the RTGS aAccount, the euroSIC Account or the SIC Account of Eurex Clearing AG ~~at a branch of the Central Bank of Germany (Deutsche Bundesbank)~~ or on the ~~SNB account, or to the~~ pledged securities account with Clearstream Banking AG of the Clearing Member or SegaIntersettle AG. Each Clearing Member shall have corresponding rights with respect to the Non-Clearing Members represented by it.

3.3 Margin in the form of Cash

(1) Cash margin can be provided in various currencies. The Executive Board of Eurex Clearing AG shall determine which foreign currencies may be admitted for the cash margin.

(2) ~~A Clearing Member shall~~In order to provide margin in Euro, ~~(EUR) by timely instructing the respective branch of the Central Bank of Germany (Deutsche Bundesbank)~~ the Clearing Member is obligated to instruct the account-keeping central bank of its RTGS Account or the Swiss Interbank Clearing AG to honour the transfer instructions (Lastschriften) received from Eurex Clearing AG with respect to such Clearing Member's account at a branch of the respective c~~C~~entral Bank ~~of Germany (Deutsche Bundesbank) and to transfer the amounts in question to the account of Eurex Clearing AG at a branch of the Central Bank of Germany (Deutsche Bundesbank).~~ Eurex Clearing AG shall promptly credit any amounts so received in its account ~~at a branch of the Central Bank of Germany (Deutsche Bundesbank)~~ to the internal cash clearing account (Number 4.3) of the ~~General or Direct~~ Clearing Member.

~~A Clearing Member shall~~In order to provide margin in Swiss Francs ~~(CHF)~~, the Clearing Member is obligated to ~~by timely~~ instruct~~ing the~~ Swiss National Bank (SNB) to honour the ~~debits~~ transfer instructions by Eurex Clearing AG ~~from its account held at the Swiss National Bank (SNB) including its Swiss Interbank Clearing AG account ("SIC Account") and to transfer the amounts in question to Eurex Clearing AG~~ at the expense of the Clearing Member's SNB Account. Eurex Clearing AG shall promptly credit any amounts ~~so debited from~~received on the SNB account ~~of the Clearing Member~~ to the internal cash clearing account (Number 4.3) of the Clearing Member.

[...]

Part 4
Accounts of Clearing Members

[...]

4.4 Collateral Clearing Account

Eurex Clearing AG shall maintain an internal collateral clearing account for each Clearing Member in which all deposits of securities or assigned book-entry securities into or withdrawals of securities or assigned book-entry securities

- from the pledged securities account with Clearstream Banking AG or SegaIntersettle AG,
- as well as all daily cash collateral's deposits into or withdrawals from the RTGS ~~a~~Account, the euroSIC Account, the SIC Account or ~~for cash collateral with a branch of the German Federal Bank or an account with the Swiss National Bank (SNB) or~~ a foreign currency account ~~with a bank recognized by Eurex Clearing AG~~of the Clearing Member

will be recorded.

Part 5
Fees

[...]

5.2 Transactions, Objections

(1) On the basis of its fee schedule as from time to time in effect, Eurex Clearing AG will charge its Clearing Members a fee for:

a) the matching of Exchange transactions

b) the recording of off-exchange transactions

c) the administration of transactions

d) the administration of positions

e) the settlement of transactions and positions

(2) Eurex Clearing AG shall keep an internal fee account for each account of a Clearing Member in the currency in which the respective account is kept and shall charge all fees payable with respect to any transactions to such account. Eurex Clearing AG shall for reconciliation purposes inform each Clearing Member of the balance and the individual entries in such fee accounts pertaining to each account for which such Clearing Member is responsible.

(3) Objections to an account notification pursuant to Clause 2, including entries of the ~~respective branch of Deutsche Bundesbank, Swiss National Bank (SNB), Clearstream Banking AG, SegaIntersettle AG, Eurex Clearing AG (Number 5.2 Paragraph 2) or any other Securities Depository Bank recognised by~~

~~Eurex Clearing AG or a Custodian or Central Securities Depository respectively another recognised delivery institution shall immediately after receipt~~cash settlement- and custody institutions instructed with clearing, shall~~—~~ but in any case no later than the end of the pre-trading period of the respective security, derivative or right of the next Business day in the trading system of the respective market (Chapter I Number 1.1 Paragraph 6) – be raised in writing or via telefax vis-à-vis the Clearing Member or Link Clearing House immediately after receipt. Otherwise, such notifications are deemed accepted. The transfer of such written objection vis-à-vis the Management Board of the respective market is deemed submitted to Eurex Clearing AG.

[...]

Part 7
Default

7.1 Default

(1) A Clearing Member will – without notice – be considered to be in default if:

a) the Clearing Member fails to provide the margin demanded by Eurex Clearing AG for any Business day or fails to pay when due a daily settlement payment, or any net premiums or other fees owed, in a timely manner (pursuant to Number 3.1 Paragraph 4~~,~~ and Number 3.2 ~~and with respect to each transaction concluded on the markets pursuant to the particular default provisions specified in Chapters II through VI)~~, or fails to deliver the securities owed by it on the delivery day or fails to provide the payment owed for such securities; or

b) such Clearing Member has failed to fulfill any other obligation to Eurex Clearing AG arising under these Conditions.

7.2 Technical Default

(1) If a Clearing Member furnishes evidence to Eurex Clearing AG that any of the defaults set forth in Number 7.1 Paragraph 1 Item a respectively item b did not occur as a consequence of insolvency and that the Clearing Member will promptly meet its obligations, Eurex Clearing AG may elect that, with respect to such Clearing Member, the provisions pursuant to Number 7.1 Paragraphs 3 as well as Paragraph 5 through 6 which are applicable in the event of default do not apply. In such a case, Eurex Clearing AG will only cause a technical default of such Clearing Member.

(2) The Clearing Member concerned shall, promptly upon the occurrence of a technical default, deliver to Eurex Clearing AG a written statement as to the reasons for its delinquency.

(3) The Clearing Member concerned must promptly remedy the causes of its technical default.

(4) In the event of a technical default with respect to a payment in ~~EUR~~Euro, ~~CHF~~ Swiss Francs or in foreign currency pursuant to Paragraph 1, Eurex Clearing AG may demand from the Clearing Member of which Eurex Clearing AG caused default to provide promptly the equivalent amount in ~~EUR~~ Euro and, respectively, ~~CHF~~ Swiss Francs of the amount not having been entered in time on Eurex Clearing AG's RTGS ~~a~~Account, the euroSIC Account or the SIC Account ~~at a branch of the Central Bank of~~

~~Germany (Deutsche Bundesbank) or SNB~~. The amount in ~~EUR~~ Euro or ~~CHF~~ Swiss Francs will be repaid without interest after receipt of the owed ~~CHF~~ Swiss Francs payment or, respectively, of the ~~EUR~~ Euro payment or of the foreign currency payment. Paragraph 5 shall remain unaffected.

(5) Eurex Clearing AG may claim compensation from any Clearing Member for any damage suffered by Eurex Clearing AG or other Clearing Members due to a technical default of such Clearing Member. Irrespective of whether Eurex Clearing AG has suffered any damage, the Clearing Member which technically defaulted shall be obligated to pay a contractual penalty pursuant to Number 7.1 Paragraph 4.

[...]

Part 8
Closing, Emergence and Calculation of an Unilateral Difference Claim in Case of Termination of Non-Performed Transactions, Drawing upon Margin, Enforcement of the Contributions to the Clearing Fund

8.1 Closing; Drawing upon Margin, Enforcement of the Contribution to the Fund

(1) Eurex Clearing AG will close transactions respectively positions, realize margin, and enforce the contributions to the Clearing Fund of a Clearing Member in the cases, in which a General- respectively Direct Clearing Member has not carried out the Closing respectively transfer of its transactions or positions within an adequate period of time set by Eurex Clearing AG in individual cases and in accordance with the instructions of Eurex Clearing AG, and which are mentioned in the present Clearing Conditions in accordance with the following priority schedule:

1. Netting all open transactions respectively positions of all accounts of the Clearing Member and subsequent closing of net transactions respectively net positions resulting therefrom. In order to implement the closing of net transactions respectively net positions of one or several exchange participants Eurex Clearing AG may use the Eurex exchanges. In such case Eurex Clearing AG will transfer by way of a transfer of positions the net transactions respectively net positions of the relevant Clearing Member to the trading participant that is assigned with the closing. Within the scope of the implementation of the closing of net transactions respectively net positions Eurex Clearing AG is entitled to according to its best judgement to realize all margin of the relevant Clearing Member including the contributions of such Clearing Member to the Clearing Fund pursuant to Number 6.1.

2. Refund of any surplus in the event that the proceeds from the realisation of margin of the relevant Clearing Member exceed the amount required to cover all obligations of the relevant Clearing Member arising out of its transactions concluded on the markets.

3. Utilisation of the funds maintained by Eurex Clearing AG pursuant to Number 6.1.3 in the event that the proceeds from the realisation of margin and the enforcement of the contributions to the Clearing Fund as well as the collateral pursuant to Number 2.2 Paragraph ~~2~~ 3 of the relevant Clearing Member are insufficient to satisfy its obligations arising out of its transactions on the markets.

[...]

8.2 Emergence, Ascertainment respectively Calculation of an Unilateral Difference Claim in case of Termination of Non-Performed Transactions

[...]

8.2.2 Ascertainment of the Unilateral Difference Claim

(1) The ascertainment of the Final Unilateral Difference Claim within the meaning of Number 8.2.1 Paragraph 2 Clause 2 shall be carried out on basis of the due mutual payment obligations existing between Eurex Clearing AG and the respective Clearing Member within the meaning of Paragraph 2. The determination of the amount of the respective payment obligations shall be referred to the day of termination of the clearing license and expiry of the mutual payment and delivery obligations resulting from the Non-Performed Transactions within the meaning of Number 2.4 Paragraph 2 item c in connection with Paragraph 7 ("Reference Date").

(2) The amount of the payment obligations existing due to the Non-Performed Transactions pursuant to Number 8.2.1 Paragraph 3 item a and item b shall be determined by Eurex Clearing AG by verifying if transactions have been concluded on the Reference Date at one of the markets named in the following Chapters ~~II to V~~; such transactions shall correspond to the Non-Performed Transactions with regard to type and amount ("Reference Transactions"). The price of these Reference Transactions shall be used as market- respectively Exchange price for Non-Performed Transactions.

In case several reference transactions have been concluded on the Reference Date with regard to a non-performed transaction, the average of the prices of these reference transactions shall be used as market- respectively Exchange price ("Reference Price") with regard to the respective Non-Performed Transaction.

(3) In the event respective reference transactions have not been concluded on the reference date, the market- or Exchange price of Non-Performed Transactions and, as a result, the respective difference claim, shall be determined via a mathematic calculation method pursuant to Number 8.2.3.

8.2.3 Calculation of the Unilateral Difference Claim

(1) In case no reference transactions have been concluded on the Reference Date (Number 8.2.2 Paragraph 1) in the markets named in the following Chapters ~~II to V~~ in which transactions not yet performed have been concluded, the respective market- or Exchange price and the amount of the respectively existing Mutual Difference Claim with regard to such transactions shall be calculated through the following method:

a) The basis for this calculation shall be the settlement price determined by Eurex Clearing AG for the respective Non-Performed Transaction on the business day before the reference date (Number 8.2.2 Paragraph 1).

b) In case Eurex Clearing AG has not determined a settlement price for a Non-Performed Transaction in the markets named in the following Chapters ~~II to V~~ on the business day before the Reference Date, Eurex Clearing AG shall choose from among the Clearing Members being

admitted at one of the markets named in the following Chapters ~~II to V~~ three Clearing Members who shall calculate a market price of the respective Non-Performed Transaction. The average of these three calculated prices shall be used instead of a settlement price for calculation of the market- respectively Exchange price of the respective non-performed transaction.

c) With regard to each non-performed transaction, the difference of bid and ask price ("Spread") pursuant to Paragraph 2 shall be considered in addition to the price respectively determined pursuant to item a or item b.

(2) Difference of bid- and ask price ("Spread")

The Spread to be considered for each Non-Performed Transaction shall be added to or subtracted from the price determined pursuant to Number 8.2.3 Paragraph 1 item a or item b, depending on whether this is a buy- or sell transaction.

The relevant applicable Spread corresponds to:

a) the interval ("Mistrade Range") which has been determined for transaction conclusions in derivatives, securities or other rights in the markets named in the following Chapters ~~II to V~~ to determine so-called erroneous entries ("Mistrades"), or

b) 25 % of the so-called additional margin ("Additional Margin") pursuant to Number 3.1 Paragraph 3, calculated on basis of the price determined pursuant to Number 8.2.3 Paragraph 1, provided that a Mistrade Range pursuant to item a has not been determined or could not be determined.

[...]

8.2.6 Consequences of a Termination of Non-Performed Transactions (Conclusion of Hedge Transactions)

(1) In case of termination of Non-Performed Transactions pursuant to Number 2.4 Paragraph 2 item c in connection with Paragraph 7, Eurex Clearing AG may - from this point pursuant to Number 1.2.1 Paragraph 4 and for purposes of guaranteeing an orderly clearing in the markets named in the following Chapters ~~II to V~~ – conclude transactions of a similar type and amount or conclude transactions or take other measures which are necessary for risk minimization due to termination of Non-Performed Transactions ("measures"). Eurex Clearing AG shall also be authorized to enter into transactions within the meaning of Clause 1 off-exchange. Such transactions shall be concluded by Eurex Clearing AG on its own dutiful discretion for purposes of guaranteeing an orderly clearing and risk elimination.

[...]

Chapter II
Transactions at Eurex Deutschland and Eurex Zürich (Eurex Exchanges)

Part 1
General Provisions

[...]

1.1 Clearing License

[...]

1.1.2 Prerequisites of the Clearing License

(1) With regard to the prerequisites to be fulfilled within the scope of the granting of the clearing license, Chapter I Number 2.1 and 2.2 applies.

(2) The applicant shall meet the following additional requirements:

a) Evidence of the following accounts:

aa) for cash netting in Euro:

- RTGS Account or
- SECB Account and
- euroSIC Account,

bb) for cash netting in Swiss Francs:

- SNB Account
- SIC Account.

~~a~~b) Evidence of ~~shall be provided for at least one account at a branch of the Central Bank of Germany and an account at the Schweizerische Nationalbank ("SNB"), including a Swiss Interbank Clearing AG account ("SIC account") as well as a~~ foreign currency accounts with one of the banks recognised by Eurex Clearing AG required for purposes of settlement of the foreign products tradeable at the Eurex Exchanges.

~~b~~c) Evidence of a technical and functional connection to the gross delivery management (Chapter I Number 1.6).

~~c~~d) The use of at least one sufficiently qualified staff member for purposes of an orderly implementation of the clearing obligations in the back-office; a sufficient qualification can be assumed if the screening test for back-office staff offered by Eurex Clearing AG (clearer test) has been passed successfully and the staff member is available via telephone and fax until 7 p.m. CET during the Business days valid for the Eurex Exchanges. From 7 p.m. CET and until

the end of the Business day valid for the Eurex Exchanges, the applicant has to guarantee that a sufficiently qualified statt member is available via telephone.

(3) Upon written application and submission of relevant evidence by the applicant or a Clearing Member, Eurex Clearing AG may allow the prerequisites for granting a clearing license pursuant to Paragraph 2 Item b and c to be fulfilled and proved in whole or in part by several settlement institutions on behalf of and for the applicant or the Clearing Member. Chapter I Number 2.2 Paragraph 6 and 7 apply mutatis mutandis.

[...]

Part 2
Clearing of Futures Contracts

[...]

2.2 Clearing of Money Market Futures contracts

The following Numbers shall rule the Clearing of transactions of Futures contracts which have been named in Number 1 of the Contract Specifications for Futures contracts and Options contracts at Eurex Deutschland and Eurex Zürich.

2.2.1 Procedures in Payment

All payments shall be made ~~between the Clearing Members through their accounts at a branch of the Central Bank of Germany (Deutsche Bundesbank)~~ on the Exchange day following the final settlement day. All Clearing Members must ensure their ability to effect payments on the due date thereof by having sufficient credit balances in ~~their~~ the RTGS Account or the euroSIC Account account ~~at a branch of the Central Bank of Germany (Deutsche Bundesbank) or in the account at a branch of the Central Bank of Germany (Deutsche Bundesbank) of the correspondent bank which has been instructed by the Clearing Member to handle the clearing of the contract~~.

[...]

2.3 Clearing of Fixed Income Futures contracts

[...]

2.3.1 Procedures in Delivery and Payment

All matching payments shall be settled with physical delivery directly between the Clearing members and Eurex Clearing AG on the second exchange day after the notice day (Number 2.3.4 Paragraph 2).

The physical payments shall be settled via a bank for central depository of securities recognised by Eurex Clearing AG or a Custodian or Central Securities Depository; the payments shall be settled via the respective account determined by the bank for central depository of securities or the Custodian or the Central Securities Depository.

All Clearing Members and Eurex Clearing AG must ensure that the transaction can be handled in the gross delivery management pursuant to Chapter I Number 1.6 on that Business day when the delivery notice is given. All Clearing Members have to ensure their ability to effect deliveries as well as payments by having sufficient credit balances in their account ~~at a bank for central depository of securities or of the custodian or central securities depository~~ at the respective custody institution and ~~sufficient~~ credit balances on the RTGS Aaccount or the euroSIC Account ~~of the Clearing Member~~ for euro-fixed Futures contracts ~~at a a branch of the Central Bank of Germany (Deutsche Bundesbank)~~; for CONF-Futures contracts, respective credit balances shall be ensured on the SIC account ~~at the Swiss National Bank~~.

[...]

2.4 Clearing of Index Futures Contracts

[...]

2.4.1 Procedures in Payment

All payments shall be made ~~between the Clearing Members through their accounts at a branch of the Central Bank of Germany (Deutsche Bundesbank), for SMI Futures contracts, SLI® Futures contacts and for SMIM® Futures contracts at the Swiss National bank,~~ on the Exchange day following the final settlement day (Number 1.3.4 of the Contract Specifications for Futures contracts and Options contracts at Eurex Deutschland and Eurex Zürich). All Clearing Members must ensure their ability to effect payments on the due date thereof by having sufficient credit balances in the~~ir~~ RTGS aAccount ~~at a branch of the Central Bank of Germany (Deutsche Bundesbank),~~ or the euroSIC Account; for SMI Futures contracts, SLI® Futures contracts and ~~for~~ SMIM® Futures contracts, respective credit balances on the SIC Account ~~at the Swiss National bank, or in the account at a branch of the Central Bank of Germany (Deutsche Bundesbank) of the correspondent bank which has been instructed by the Clearing Member to handle the clearing of the contract~~ shall be ensured.

[...]

2.4.2 Final Settlement Price

The final settlement price of the indext Futures contracts will be determined by Eurex Clearing AG (pursuant to Number 1.3.4 of the Contract Specifications for Futures contracts and Options contracts at the Eurex Deutschland and Eurex Zürich) at the final payment day of a contract.

(1) With respect to the DAX®, MDAX®, TecDAX® and DivDAX® Futures contracts, the value of the respective index is based on the auction prices calculated by the electronic trading system of the Frankfurt Stock Exchange for those securities included in the respective index of an intraday auction determined by the management boards of the Eurex stock exchanges.

(2) With respect to the OMXH25 Futures contracts, the value of the respective index is based on the average prices of the shares included in OMXH25, provided that those prices are based on a transaction with a minimum Number of the respective share included in the OMXH25, weighted after the volume of the transactions which are executed at the Helsinki Stock Exchange since the

transaction beginning of the ongoing trade of the electronic trading system upt to the final settlement day.

(3) With respect to the SMI® Futures contracts and the SLI® Futures contracts, the value of the respective index is based on the prices calculated by means of the electronic trading system of SWX Europe Limited during the opening auction for the securities and book-entry securities included in the SMI® respectively SLI®. With respect to the SMIM® Futures contracts, the value of the respective index is based on the opening prices calculated by means of the electronic trading system of SWX Swiss Exchange respectively of SWX Europe Limited for the securities and book-entry securities included in the SMIM®.

(4) With respect to the DOW Jones EURO STOXX® 50 Index, Dow Jones EURO STOXX® Select Dividend 30 Index, Dow Jones STOXX® 50 Index, Dow Jones STOXX® 600 Index, Dow Jones STOXX® Large 200 Index,Dow Jones STOXX® Mid 200 Index, Dow Jones STOXX® Small 200 Index and Dow Jones EURO STOXX® Sector Index and Dow Jones STOXX® 600 Sector Index Futures contracts, the value of the respective index is based on the average of the respective Dow Jones STOXX indices calculations at that day from 11:50 a.m. until 12:00 noon. CET.

(5) With respect to the Dow Jones Global Titans 50SM Index (EUR) Futures contracts, the Dow Jones Global Titans 50SM Index (USD) Futures contracts as well as for the Futures contracts on Dow Jones Sector Titans Indices the value of the respective Dow Jones index is based on the average prices of the respective Dow Jones index calculations at that day from 16:50 p.m. until 17:00 p.m. CET.

(6) With respect to the RDXxt® USD – RDX Extended Index Futures contracts, the value of the respective index is based on the prices determined by the electronic trading system London Stock Exchange during the closing auction for the prices of the securities and book-entry securities included in the RDXxt® USD – RDX Extended Index.

(7) With respect to the MSCI Russia Index Futures contracts, the value of the respective index is based on the average of the respective MSCI Russia Index calculations on such day between 15:30 CET until 15:45 CET. The final settlement price shall, in deviation to the MSCI Russia Index (MSCI Barra), be calculated by means of the prices determined on the London Stock Exchange, the Moscow Interbank Currency Exchange and the New York Stock Exchange for the securities and rights included in aforementioned index.

(8) In case of extraordinary circumstances, especially if the trading is interrupted due to technical problems or if a price determination for one or more securities or book-entry securities is not possible for other reasons, the Eurex Clearing AG may determine the final settlement price by means of another procedure.

2.5 Clearing of Futures Contracts of Exchange Traded Fund Shares

[...]

2.5.1 Procedures in Delivery and Payment

All physical deliveries and payments for EXTF futues shall be concurrently performed between the Clearing Members and Eurex Clearing AG

- on the second Exchange day after the last trading day of the contract with respect to contracts, the underlying securities of which are traded in the electronic trading system of the Frankfurt Stock Exchange (Xetra),

- on the third Exchange day after the last trading day of the contract with respect to contracts, the underlying securities of which are traded in the electronic trading system of the Swiss Stock Exchange SWX.

Physical deliveries of securities shall be made through a bank for central depository of securities recognised by Eurex Clearing AG or respectively through a Custodian or Central Securities Depository, and payments shall be made through the account specified by such bank for central depository of securities or by such Custodian or Central Securities Depository.

Each Clearing Member and Eurex Clearing AG must ensure that transactions can be processed in the gross delivery management pursuant to Chapter I Number 1.6 on the Business day on which the delivery notice is given. All Clearing Members must ensure their ability to effect deliveries and payments thereof through sufficient deposits in the securities account ~~with~~ at the respective ~~bank for central~~ depository ~~of securities or the Custodian or Central Securities Depository~~institution and credit balances in the ~~Clearing Member's~~ RTGS aAccount, the euroSIC Account or the SIC Account ~~at a branch of the Central Bank of Germany (Deutsche Bundesbank) or the Swiss National Bank (Schweizerische Nationalbank), as the case may be~~.

[...]

2.6 Clearing of Volatility Index Futures contracts

[...]

2.6.1 Procedures in Payment

All payments shall be made ~~directly between the Clearing Members through their accounts at a branch of the Central Bank of Germany (Deutsche Bundesbank), for VSMI® contracts at the Swiss National Bank,~~ on the Exchange Day (Number 1.5.4 of the Contract Specifications for Futures contracts and Options contracts at Eurex Deutschland and Eurex Zürich) following the final settlement day. All Clearing Members must ensure their ability to effect payments on the due date thereof through sufficient credit balances in ~~their~~ the RTGS aAccount ~~at a branch of the Central Bank of Germany (Deutsche Bundesbank),~~ or the euroSIC Account; for VSMI® contracts, respective credit balances shall be ensured on the SIC Account or the RTGS Account ~~of the Swiss National Bank, or in the account at a branch of the Central Bank of Germany (Deutsche Bundesbank) of the correspondent bank which has been instructed by the Clearing Member to handle the clearing of the contract~~.

[...]

2.7 Clearing of Futures Contracts on Shares

[...]

2.7.1 Procedures in Payment

All payments shall be made ~~directly between the Clearing Members through their accounts at a branch of the Central Bank of Germany (Deutsche Bundesbank)~~ on the Exchange day following the final settlement day (Number 1.6.4 of the Contract Specifications for Futures contracts and Options contracts at Eurex Deutschland and Eurex Zürich). All Clearing Members must ensure their ability to effect payments on the due date thereof by having sufficient credit balances in ~~their~~ the RTGS a~~A~~ccount ~~at a branch of the Central Bank of Germany (Deutsche Bundesbank)~~ or in the euroSIC a~~A~~ccount ~~at a branch of the Central Bank of Germany (Deutsche Bundesbank) of the correspondent bank which has been instructed by the Clearing Member to handle the clearing of the contract~~.

[...]

2.8 Clearing of Credit Futures Contracts

[...]

2.8.1 Procedures in Payment

All payments shall be made ~~directly between the Clearing Members through their accounts at a branch of the Central Bank of Germany (Deutsche Bundesbank)~~ on the Exchange day following the final settlement day (Number 1.7.5 Paragraph 2 or 1.7.8 Paragraph 6 of the Contract Specifications for Futures contracts and Options contracts at Eurex Deutschland and Eurex Zürich). All Clearing Members must ensure their ability to effect payments on the due date thereof by having sufficient credit balances in ~~their~~ the RTGS a~~A~~ccount ~~at a branch of the Central Bank of Germany (Deutsche Bundesbank)~~ or in the euroSIC a~~A~~ccount ~~at a branch of the Central Bank of Germany (Deutsche Bundesbank) of the correspondent bank which has been instructed by the Clearing Member to handle the clearing of the contract~~.

[...]

2.9 Part
Clearing of Inflation Futures Contracts

[...]

2.9.1 Payment Procedure

All payments are effected ~~directly between the Clearing Members via their accounts with a branch of the German Federal Bank~~ on the Exchange day following the final settlement day (Number 1.8.4 of the Contract Specifications for Futures Contracts and Options Contracts at Eurex Deutschland and Eurex Zürich). All

Clearing Members have to guarantee their capacity to pay on the due date by a respective credit on ~~their~~ the RTGS aAccounts ~~with a branch of the German Federal Bank~~ or on the euroSIC aAccount ~~with a branch of the German Federal Bank of the correspondent bank included by the Clearing Member for purposes of settlement of the contract~~.

[...]

2.10 Clearing of Index Dividend Futures Contracts

[...]

2.10.1 Procedures in Payment

All payments shall be made ~~directly between the Clearing Members through their accounts at a branch of the German Central Bank (Deutsche Bundesbank),~~ on the Exchange day following the final settlement day (Number 1.9.4 of the Contract Specifications for Futures contracts and Options contracts at Eurex Deutschland and Eurex Zürich). All Clearing Members must ensure their ability to effect payments on the due date thereof by having sufficient credit balances in ~~their~~ the RTGS aAccount ~~at a branch of the German Central Bank (Deutsche Bundesbank),~~ or in the euroSIC Aaccount ~~at a branch of the German Central Bank (Deutsche Bundesbank) of the correspondent bank which has been instructed by the Clearing Member to handle the clearing of the contract~~.

[...]

Part 3
Clearing of Options Contracts

[...]

3.4 Clearing of Index Options Contracts

[...]

3.4.1 Payment Settlement

All payments shall be made ~~directly between the Clearing Members through their accounts at a branch of the Central Bank of Germany (Deutsche Bundesbank), for SMI® contracts, SLI® Options contracts and for SMIM® Options contracts at the Swiss National Bank,~~ on the Exchange day following the exercise day; this shall also apply if the exercise is not assigned to the writer until the Exchange day following the exercise day. All Clearing Members must ensure their ability to effect payments on the due date thereof through sufficient credit balances in ~~their~~ the RTGS aAccount or the euroSIC Account; ~~at a branch of the Central Bank of Germany (Deutsche Bundesbank),~~ for SMI® contracts, SLI® Options contracts and for SMIM® Options contracts, credit balances shall be ensured on the SIC account or the RTGS Account ~~of the Swiss National Bank, or in the account at a branch of the Central Bank of Germany (Deutsche Bundesbank) of the correspondent bank which has been instructed by the Clearing Member to handle the clearing of the contract~~.

[...]

3.6 Clearing of Options Contracts and Low Exercise Price Options on Shares

[...]

3.6.3 Reference Price

(1) For the determination of the reference price, the cash markets determined in the following are respectively assigned to the shares options respectively the LEPOs:

Group ID of the Option contracts pursuant to Annex B of the Eurex Contract Specifications	Relevant Cash Market	ID of Cash Market
AT11	Electronic Trading System of the Wiener Börse	XVIE
BE11	Electronic Trading System of the NYSE Euronext Brussels	XBRU
CH11	Electronic Trading System of the SWX Stock Exchange	XSWX
CH12	Electronic Trading System SWX Europe Limited	XVTX
DE11~~, US11~~	Electronic Trading System of the Frankfurter Wertpapierbörse	XETR
ES11	Electronic Trading System of the Bolsa de Madrid	XMAD
FI11	Electronic Trading System of the OMX Helsinki Stock Exchange	XHEL
FR11	Electronic Trading System of the NYSE Euronext Paris	XPAR
RU11	Electronic Trading System of the London Stock Exchange	XLON
IT11	Electronic Trading System of the Borsa Italiana	XMIL

Group ID of the Option contracts pursuant to Annex B of the Eurex Contract Specifications	Relevant Cash Market	ID of Cash Market
NL11	Electronic Trading System of the NYSE Euronex Amsterdam	XAMS
SE11	Electronic Trading System of the OMX Stockholm Stock Exchange[2]	XSSE

[...]

Part 4
Clearing of Off-Exchange Futures and Options Transactions

[...]

4.4 Part
Clearing of OTC Flexible Eurex Options Contracts

[...]

4.4.1 Specifications Flexible Eurex Options Contracts

(1) Within the OTC agreement of Flexible Eurex Options Contracts, the contracting parties may – in deviation to the current Eurex Contract Specifications for respective Options Contracts – individually determine the terms, last trading day, exercise type (European style, American style), exercise price, final settlement day respectively expiry day of of Flexible Eurex Options Contracts. Furthermore, the type of fulfilment (cash settlement or delivery respectively assignment of underlying) can be determined for individual Flexible Eurex Options Contracts by Eurex Clearing AG.

[2] The prices determined in Swedish Kronas shall be converted in Euros pursuant to the reference price determined by the European Central Bank on a daily basis.

[...]

- Final Settlement Price for Flexible Options Contracts (Cash Settlement)

  (1) For Flexible Eurex Futures Contracts on shares for which a Cash Settlement has been determined, the final settlement price shall be determined by Eurex Clearing AG. The official final price of the share on the respective, individually determined final settlement day shall be relevant. Chapter II Number 3.6.3 of the Clearing Conditions shall apply accordingly.

  (2) For Flexible Eurex Options Contracts on indices for which a cash settlement has been determined, the final settlement price shall be determined by Eurex Clearing AG. The final value of the underlying index on basis of the prices determined for the securities and rights included in the respective index on the respective, individually determined final settlement day shall be relevant.[3] Chapter II Number 3.4.3 Paragraph ~~6~~7 of the Clearing Conditions shall apply accordingly.

[...]

Chapter IV
Clearing of Transactions at Eurex Repo GmbH

[...]

Part 2
Clearing of Transactions at Eurex Repo GmbH

[...]

2.5 Payment of Interests (Coupon Compensation)

If interests are paid on the underlying security during the term of a Eurex Repo Transaction, e.g. during the Purchase Agreement and the Repurchase Agreement, Eurex Clearing AG shall arrange for the credit of the accrued amount of interests to the Clearing Member which has sold the respective securities. Besides, Eurex Clearing AG shall arrange for the charge of an amount equal to the amount of interests to the Clearing

[3] For the determination of the final settlement price for Flexible Options Contracts on the Dow Jones Global Titans 50^{SM} Index, its value at 5:30 pm (CET) shall be relevant.

Member which has purchased the respective securities. Cash settlement shall be made through the RTGS Aaccounts ~~of the Clearing Members involved with the Central Bank of Germany - Main Office in Frankfurt / Main~~, the euroSIC Accounts, the accounts with Euroclear Bank S.A./N.V. in Brussels or with Clearstream Banking Luxembourg S.A. In case of Euro GC Pooling Repo transactions, the respective compensation payments shall be initiated on behalf of Eurex Clearing AG through the respective relevant Collateral Management systems pursuant to the applicable provisions and contracts. As far as securities which have been assigned in the course of a Triparty Euro GC Basket Repo transaction are concerned, the compensation shall immediately executed by Clearstream Banking S.A. pursuant to the applicable Collateral Management Service Agreements.

[...]

Chapter V
Transactions Concluded at the Frankfurt Stock Exchange [4]

[...]

Part 2
Clearing of transactions concluded at the Frankfurt Stock Exchange (FWB)

[...]

2.3 Corporate Actions

(1) Where corporate actions pursuant to Paragraph 2 are carried out in respect of securities which relate to unperformed FWB transactions, Eurex Clearing AG shall process these actions as follows on an individual basis when clearing such transactions with its Clearing Members: The value date of the requisite debits and credits on accounts of Clearing Members involved will be ascertained on the basis of the due days determined and announced by Clearstream Banking AG, Frankfurt/Main. In the absence of further agreements or rulings in particular in Paragraph 2, securities shall be transferred with the rights and duties which existed at the conclusion of the transaction.

(2) Type of corporate action:

a) Dividend and bonus payments

[4] With regard to the clearing of transactions concluded at the Rhenish-Westfalian Exchange in Düsseldorf (Rheinisch-Westfälische Börse zu Düsseldorf) which share the securities and rights named in Chapter , Chapter V and all remaining provisions of the Clearing Conditions for Eurex Clearing AG shall apply.

If dividends, bonus payments or other cash distributions occur, Eurex Clearing AG shall collect them from the shares seller when they fall due and transfer them to the purchaser of the shares. These payments are posted to the RTGS Aaccounts or the euroSIC Accountsof the Clearing Member in question or to the accounts of the settlement institutions mandated by the Clearing Member which these institutions maintain at a Deutsche Bundesbank branch. All payments shall be rendered with due observance of the applicable tax legislation.

[...]

Chapter VII
Transactions Concluded European Energy Exchange (EEX)

Part 1
General Provisions

[...]

1.1 Clearing Licenses

[...]

1.1.2 Prerequisites for Clearing Licenses

(1) With regard to the prerequisites to be fulfilled within the scope of the granting of an EEX clearing license, Chapter I Number 2.1 and 2.2 applies. The prerequisites pursuant to Chapter I Number 2.2 Paragraph 4 item b, f, h and i whose fulfilment cannot be proven, shall be exempted.

(2) The applicant shall meet the following additional requirements:

a) Evidence of an RTGS aAccount with a branch of the German Federal Bank for settlement of the cash clearing transactions.

b) Provision of at least one sufficiently qualified staff member for orderly conduct of the clearing obligations in the back office. At least one sufficiently qualified staff member shall be available via telephone, e-mail and telefax at any time during the business day.

(3) Upon written application and submission of relevant evidence, Eurex Clearing AG may allow the applicant or a Clearing Member the prerequisites for granting a clearing license pursuant to Paragraph 2 Item b and c to be fulfilled and proved in whole or in part by several settlement institutions on behalf of and for the applicant or the Clearing Member. Chapter I Number 2.2 Paragraph 6 and 7 apply mutatis mutandis.

[...]

Part 2
Clearing of Futures Contracts

[...]

2.1 Sub-Part
General Provisions

[...]

2.1.1 General Obligations

(1) Various futures contracts regarding emission rights with physical settlement are traded on EEX, the settlement of which shall be effected in accordance with the provisions made in these Clearing Conditions regardless of the maturity of the contract.

(2) All Clearing Members shall fulfil their payment obligations pursuant to the instruction of Eurex Clearing AG.

(3) All payments in Euro shall be effected ~~directly between the Clearing Members and Eurex Clearing AG via their accounts with a branch of the German Federal Bank~~ on the business day following the respective settlement day, unless the contract specifications of EEX for the respective EEX products provide otherwise. All Clearing Members shall ensure their solvency on the respective business day by means of corresponding deposits on ~~their~~ the RTGS ~~German Federal Bank a~~Account.

[...]

2.2 Sub-Part
Clearing of European Carbon Futures Contracts

[...]

2.2.1 Financial Settlement upon Delivery

(1) The number of the EU emission allowances to be delivered multiplied by the final settle-ment price plus any taxes required by law shall form the basis of the settlement of trans-actions.

(2) Financial settlement shall be effected by means of netting out the accounts receivable and the liabilities of all positions the clearing of which is effected by Eurex Clearing AG subject to the provisions contained in these Clearing Conditions into one account receivable or liability.

(3) Financial settlement is effected on the first business day after the last trading day.

(4) All payments including the VAT ~~required by law~~ shall be effected directly between the Clearing Members and Eurex Clearing AG and, as the case may be, between Eurex Clearing AG and ECC,

via the respective ~~German Federal Bank~~RTGS ~~a~~Accounts on the business day pursuant to Paragraph 3.

[...]

Appendices:
Form Agreements

1. Clearing Agreement (Eurex Clearing AG / Clearing Member)

1.1 CM Clearing Agreement

Clearing Agreement

between

Eurex Clearing AG, Frankfurt/Main,

(hereinafter referred to as "AG")

and

_____

Clearing Member (hereinafter referred to as the "CM")

[...]

3. Cash Clearing

(1) The CM hereby agrees to instruct ~~a Branch of the Central Bank of the Federal Republic of Germany (Deutsche Bundesbank)~~ the payment institution determined by the AG for clearing of its transactions to honour any debit instructions (Lastschriften) ~~in EUR submitted by AG against the account of the CM for all cash claims in EUR against the CM, to debit the relevant amount~~ from its account ~~maintained with a Branch of the Central Bank of the Federal Republic of Germany (Deutsche Bundesbank), and to transfer such amount to AG's account at a Branch of the Central Bank of the Federal Republic of Germany (Deutsche Bundesbank)~~. AG shall provide that any surplus cash balance that the CM may have in its internal ~~EUR~~ cash clearing account with AG is credited to the account of the CM at ~~a Branch of the Central Bank of the Federal Republic of Germany (Deutsche Bundesbank)~~the respective payment institution.

(2) AG may allow the use of accounts of a correspondent bank recognised by AG for purposes of cash clearing with AG.

[...]

1.2 Appendix to the CM Clearing Agreement

[...]

Chapter II: Scope of the Clearing License

[...]

c) Cash Clearing

(1) The CM undertakes to ~~authorise AG~~instruct the central bank of the Euro system, which participates in TARGET2 with its TARGET2 component system, another central bank, which is no central bank of the Euro system and is connected to TARGET2 due to a special agreement, the Swiss National Bank or another payment institution defined by AG to ~~debit~~ honor all claims ~~in CHF~~ against the CM as calculated by AG via debit instruction from the account of the CM ~~(SIC account) at the Schweizerische Nationalbank (SNB)~~ from aforementioned payment institution. AG shall provide that any surplus cash balance that CM may have on its ~~CHF~~ internal money clearing account with AG shall be credited to the respective CM's account at the respective payment institution ~~at SNB (SIC account)~~.

~~(2) The CM hereby agrees to provide for a timely cover of the foreign currency accounts maintained with the bank recognised by AG for the daily settlement payments from foreign currency products calculated by AG. Furthermore, the CM shall instruct such bank to honour any debit instructions (Lastschriften) in foreign currency submitted by AG against the accounts of the CM for all cash claims against the CM, to debit the relevant amount from its foreign currency account maintained with such bank, and to transfer such amount to the respective account of AG. AG shall provide that any surplus cash balance that the CM may have in its respective cash clearing account with AG shall be credited to the respective foreign currency accounts of the CM with the bank recognised by AG.~~

[...]