

Chapter II of the Clearing Conditions of Eurex Clearing AG

Transactions Concluded at Eurex Deutschland

(Eurex Exchange)

As of 01.10.2020

AMENDMENTS ARE MARKED AS FOLLOWS:

INSERTIONS ARE UNDERLINED

DELETIONS ARE CROSSED OUT

[...]

Part 2 Clearing of Futures Contracts

[...]

[...]

2.3 Clearing of Fixed Income Futures Contracts

[...]

[...]

2.3.5 Failure to Deliver

- (1) In the event that a Clearing Member fails to deliver the bonds to be delivered notified by it on the delivery day (as per Number 2.3.1) according to the instructions of Eurex Clearing AG during the delivery times determined for the delivery day (as published by Eurex Clearing AG on its website (www.eurexclearing.com)), Eurex Clearing AG shall be entitled to take the following measures:

[...]

- In the event that the bonds to be delivered are not delivered to Eurex Clearing AG as part of the standard transfer arrangement of the respective Settlement Location by the 5th Business Day after the delivery day, Eurex Clearing AG shall be entitled to make a replacement purchase with respect to the undelivered bonds. Such purchase constitutes a buy-in as referred to in Chapter I Part 1 Number 1.4.4 (1), which shall be applicable with respect to the purchase.

[...]

[...]

2.17 Clearing of Futures Contracts on Exchange Traded Commodities Securities

[...]

[...]

2.17.4 Failure to Deliver

[...]

- (1) the defaulting Clearing Member shall be obligated to pay to Eurex Clearing AG for any ~~auction-buy-in process~~ performed pursuant to Part 3 Number 3.6.7 (1) an expense allowance in the amount of 10 per cent of the purchase price of the commodities securities owed at the time of the ~~auction~~buy-in attempt, however no less than USD 350.00 at minimum and not exceeding USD 7,000.00 at maximum;
- (2) a Clearing Member transferring commodities securities to Eurex Clearing AG after the obligation to deliver has been excluded shall be under the obligation to pay to Eurex Clearing AG an expense allowance in the amount of USD 700.00 for the retransfer to be performed.

If Eurex Clearing AG appoints a buy-in agent for the purposes of the buy-in, the maximum amounts set out in Chapter I Part 1 Number 1.4.4 (1) shall apply with respect to the purchase to the extent these maximum amounts are lower than those specified above.

[...]

Part 3 Clearing of Options Contracts

[...]

[...]

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

[...]

[...]

3.6.7 Failure to Deliver Options Contracts of Group ID GB11 and IE11

- (1) In the event a Clearing Member fails to transfer shares not covered by Article 15 of Regulation (EU) 236/2012 on short selling or subscription rights from Options Contracts with the assigned group IDs GB11 and IE11 (hereinafter in Number 3.6.7

and Number 3.6.9 referred to as “**shares**”), Eurex Clearing AG is entitled to ~~repurchase shares of the same kind and number by means of an auction~~ upon expiration of the 5th Business Day. Such purchase constitutes a buy-in as referred to in Chapter I Part 1 Number 1.4.4 (1), which shall be applicable with respect to the purchase. Accordingly, Eurex Clearing AG may (i) directly purchase the Securities from a third party, (ii) appoint a third party buy-in agent to acquire the Securities for Eurex Clearing AG and/or (iii) conduct an auction in accordance with the Auction Terms.

~~_____~~ If Eurex Clearing AG ~~has opened~~ conducts an auction according to the Auction Terms ~~Sentence 1~~ by notification of the defaulting Clearing Member, the defaulting Clearing Member is not authorised to transfer the owed shares to Eurex Clearing AG on the day of auction as well as until a written notification of Eurex Clearing AG. Eurex Clearing AG is obliged to publish a maximum price for the auction up to which it is willing to accept bids. The maximum price for the auction results from the settlement price determined by Eurex Clearing AG for the share plus a surcharge of 100 per cent. The obligation of the seller to assign the shares shall be accepted by Eurex Clearing AG instead of fulfilment for the obligation of the defaulting Clearing Member. Upon expiration of the tenth Business Day and the 20th Business Day, ~~Sentence 1 and 2~~ the foregoing shall apply accordingly, unless a surcharge has been given and the defaulting Clearing Member has assigned the owed shares until opening of a new auction. In case of a corporate action concerning the shares (hereinafter in Number 3.6.7 – 3.6.9 referred to as “**corporate action**”), Eurex Clearing AG reserves the right to postpone the auction by one Business Day or – due to a justified reason – to determine another Business Day for implementation of the auction (a justified reason being, for instance, if the settlement day of the relevant Settlement Location ends after 15.00 CE(S)T).

[...]

- (6) The defaulting Clearing Member is obliged to pay an allowance to Eurex Clearing AG for each auction executed according to Paragraph (1) in the amount of 10 per cent of the purchase price of the shares owed at the time of auction, however, at a minimum amount of GBP 225.00 with regard to Options Contracts with the assigned group ID GB11 and of EUR 250.00 with regard to Options Contracts with the assigned group ID IE11, and at a maximum amount of GBP 4,500 with regard to Options Contracts with the assigned group ID GB11 and EUR 5,000.00 with regard to Options Contracts with the assigned group ID IE11. If Eurex Clearing AG appoints a buy-in agent for the purposes of the buy-in, the maximum amounts set out in Chapter I Part 1 Number 1.4.4 (1) shall apply with respect to the purchase to the extent these maximum amounts are lower than those specified in the preceding sentence. If a Clearing Member assigns shares to Eurex Clearing AG after exclusion of the performance obligation, the Clearing Member is obliged to pay an allowance for implementation of the reassignment in the amount of GBP 450.00 with regard to Options Contracts with the assigned group ID GB11 and of EUR 500.00 with regard to Options Contracts with the assigned group ID IE11 to Eurex Clearing AG. Sentence 2 applies accordingly for the non-defaulting Clearing Member according to

Paragraph (2) if – upon existence of the claim for payment of a compensation amount – the Clearing Member has arranged for assignment of shares by Eurex Clearing AG by not deleting the instruction for assignment of shares given to Euroclear UK & Ireland Ltd.

[...]

3.11 Clearing of Options Contracts and Low Exercise Price Options on Exchange-Traded Commodities Securities

[...]

[...]

3.11.5 Failure to Deliver

[...]

- (2) a Clearing Member transferring commodities securities to Eurex Clearing AG after the obligation to deliver has been excluded shall be under the obligation to pay to Eurex Clearing AG an expense allowance in the amount of USD 700.00 for the retransfer to be performed.

If Eurex Clearing AG appoints a buy-in agent for the purposes of the buy-in, the maximum amounts set out in Chapter I Part 1 Number 1.4.4 (1) shall apply with respect to the purchase to the extent these maximum amounts are lower than those specified above.

[...]
