Chapter IV of the Clearing Conditions of Eurex Clearing AG

Clearing of Repo Transactions

As of 23.11.2026

Preamble

This Chapter IV forms an integral part of the Clearing Conditions of Eurex Clearing AG and respective references in other rules or documents to the Clearing Conditions shall also apply to this Chapter IV.

Chapter I together with this Chapter IV and all references to other Chapters or Annexes of the Clearing Conditions shall apply to (i) all Clearing Members with a respective Clearing License, (ii) all ISA Direct Clearing Members and (iii) all ISA Direct Light License Holders (as defined in Part 3 Number 3.1 (2)).

Clearing of Repo Transactions

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Part 1 General Provisions

(1) If and to the extent that the Clearing of Transactions concluded through the System of Eurex Repo GmbH (Part 2 Number 2.1) has been agreed upon between Eurex Clearing AG and Eurex Repo GmbH (in the following "**Eurex Repo Transactions**") or the Clearing of Transactions concluded through the systems of another multilateral trading facility (in the following "**Original MTF Repo Transactions**") has been agreed upon between Eurex Clearing AG and the respective multilateral trading facility or other, equivalent arrangements have been made, the provisions set forth in Chapter I shall also apply to the Clearing of Eurex Repo Transactions and Original MTF Repo Transactions, to the extent that the following rules do not provide otherwise.

Any Original MTF Repo Transaction which has been novated in accordance with Part 2 Number 2.1.2 and any Eurex Repo Transaction shall hereinafter be referred as a "**Repo Transaction**".

(2) The Clearing Conditions incorporate by reference the Terms and Conditions for Participation and Trading on Eurex Repo GmbH (*Geschäftsbedingungen für die Teilnahme und den Handel an der Eurex Repo GmbH*) ("**GTCs of Eurex Repo GmbH**") with respect to the Clearing of Transactions concluded on Eurex Repo GmbH pursuant to this Chapter IV in their German version and as amended from time to time. Terms used in this Chapter IV and not otherwise defined herein shall have the meaning given to them in the GTCs of Eurex Repo GmbH.

(3) The information statement in Annex 12 in accordance with Article 15 of the Regulation on transparency of securities financing transactions and of reuse (Regulation (EU) 2015/2365) is applicable to Eurex Clearing AG and holders of a Clearing License or ISA Direct Light License for Repo and GC Pooling Repo Transactions which are cleared by Eurex Clearing AG and which contain a collateral transfer by way of a title transfer collateral arrangement.

(4) Unless provided otherwise in this Chapter IV, references in this Chapter IV to ISA Direct Clearing Members and Clearing Agents shall include ISA Direct Indemnified Clearing Members and Indemnifying Clearing Agents, respectively.

1.1 Clearing Licenses

1.1.1 Granting of Clearing Licenses

A Clearing License or ISA Direct Clearing License is required in order to participate in the Clearing of Repo Transactions; Eurex Clearing AG shall grant such Clearing License or ISA Direct Clearing License upon written application.

1.1.2 Prerequisites for Clearing Licenses

(1) With regard to the prerequisites to be fulfilled within the scope of granting the Clearing License, Chapter I Part 1 Numbers 2.1.1 to 2.1.3 apply. With regard to the prerequisites to be fulfilled within the scope of granting of the ISA Direct Clearing License, Chapter I Part 6 Subpart A Numbers 2.1.1 and 2.1.2 (and, if the ISA Direct Clearing License shall be granted as an ISA Direct Indemnified Clearing License, Chapter I Part 6 Subpart B Number 1) apply.

(2) The applicant shall meet the following additional requirements (and shall comply with such requirements for as long as it holds the relevant Clearing License or ISA Direct Clearing License, as applicable):

(a) if the applicant intends to clear GC Pooling repo transactions with Eurex Clearing AG (each a "**GC Pooling Repo Transaction**"),

(aa) evidence of the participation admission (including, where relevant, evidence of the entering into the related documentation) and technical connection to the collateral management system CmaX of Clearstream Banking S.A. ("**CmaX**") or any other triparty collateral management system or triparty collateral manager as Eurex Clearing AG may from time to time reasonably require, subject to Number 1.4 below (each of CmaX or such other triparty collateral management system or other triparty collateral manager, a "**TPCM**").

When taking the decision to require the Clearing Member or ISA Direct Clearing Member to participate in another TPCM, Eurex Clearing AG shall take into account the developments in the market infrastructure and the collateral management offering, the interests of the Clearing Members and ISA Direct Clearing Members, and, in respect of any such requirement affecting a Clearing Member or ISA Direct Clearing Member already holding a Clearing License or ISA Direct Clearing Member Clearing License for purposes of this Chapter IV, the interests of such Clearing Members or ISA Direct Clearing Members.

Evidence of participation in a TPCM can be provided (i) either via own participation in CmaX or relevant other TPCM, (ii) via a respective agreement with another settlement institution which is authorized to participate in CmaX or the relevant other TPCM, or (iii) in case of ISA Direct Clearing Members, via their Clearing Agent,

(bb) if Eurex Clearing AG required a GC Pooling USD Cash Margin Contribution from the applicant in accordance with Chapter I Part 2 Subpart B Number 5.3, compliance with the applicable GC Pooling USD Cash Margin Contribution requirement, and

(cc) an obligation to grant authorization within the meaning of Chapter I Part 1 Number 1.4.2 Paragraph (2) of the Clearing Conditions also exists with

respect to the substitution of securities ("Substitution") assigned in connection with a GC Pooling Repo Transaction.

1.2 Provision of Margin

(1) In connection with GC Pooling Repo Transactions, the determination of the margin requirement (including the Additional Margin), with regard to the securities assigned within the scope of the Front Leg, also in case of cross-border collateral provision, will be calculated directly by CmaX or the relevant other TPCM.

(i) During the calculation, CmaX or such other TPCM will, according to the provisions of the relevant Collateral Management Service Agreement relating to CmaX ("**CMSA**") or the rules of the relevant other TPCM, respectively, consider the respective currency in which the underlying transaction has been concluded.

(ii) The securities to be delivered as Eligible Margin Assets with respect to GC Pooling Repo Transactions will be determined by CmaX on the basis of the relevant CMSA and by the relevant other TPCM on the basis of its relevant rules or the relevant arrangements with such TPCM, as applicable.

(iii) Eurex Clearing AG may demand that, in excess of the margin requirement calculated by CmaX or by the relevant other TPCM, Additional Margin has to be provided in accordance with the calculation method published pursuant to Chapter I Part 1 Number 3.1.3.

The possibility of requiring additional Margin pursuant to Chapter I Part 1 Number 3.3 together with Chapter I Part 2 Subpart A Number 4.2 or additional ISA Direct Margin in accordance with Chapter I Part 6 Subpart A Number 7.3, in particular for collateralization of exchange rate risks in case of foreign currency transactions, remains unaffected.

This in particular applies for the collateralization of exchange rate risks in case of foreign currency transactions and as well for the delivery of securities as Eligible Margin Assets which qualify as own issues in the meaning of the GTC's of Eurex Repo GmbH in relation to the Clearing Member or ISA Direct Clearing Member. With regard to securities which become own issues during the term of the Transaction, this provision applies also. The Clearing Members or ISA Direct Clearing Members are obliged to refrain from provisioning of such own securities as collateral.

(2) With regard to GC Pooling Repo Transactions, Eurex Clearing AG shall determine with respect to each Securities Basket a list of securities forming part of the relevant Securities Basket, which shall be eligible as Eligible Margin Assets ("**Eligible Margin Assets**") and shall review and update the Eligible Margin Assets List on a daily basis.

When determining the Eligible Margin Assets List, Eurex Clearing AG considers a catalogue of criteria taking into account the turnover volumes and risk aspects.

Irrespective of the regular review, Eurex Clearing AG shall – due to risk management reasons – be entitled to exclude individual securities from the Eligible Margin Assets List at any time. All applicable Eligible Margin Assets Lists will be made available in CmaX or in or via the relevant other TPCM on a daily basis.

(3) In addition to the provisions of Paragraph (1) and (2), the provisions of Chapter I Part 1 Number 3 together with Part 2 Subpart A Number 4, Subpart B Number 5 and Subpart C Number 6 or Part 4 Number 6 and Chapter I Part 6 Subpart A Number 7 (as relevant, in conjunction with Subpart B) shall apply with regard to the basic principles of the margin requirement and – unless aforementioned paragraphs state otherwise – the obligation to provide margin.

The provisions of Paragraph (1) Sentence 4 – 10 apply to Special and GC Repo accordingly. In the case securities collateral are qualified as own issues after the settlement of the Front Leg, Eurex Clearing may apply an adequate haircut to cover a higher liquidation risk for Eurex Clearing AG. No automatic substitution is processed.

1.3 Set-off of Cash Claims

For the avoidance of doubt, a set-off of claims in accordance with Chapter I Part 1 Number 1.3 shall also be possible between claims resulting out of Eurex Repo Transactions and Original MTF Repo Transactions.

1.4 Tax Information Undertakings

(1) For the purpose of this Chapter IV, "**Tax Information**" shall mean information required by the respective recipient to comply with the rules and regulations of tax authorities.

(2) Upon application for a Clearing License or an ISA Direct Clearing License, as the case may be, pursuant to Number 1.1, the applicant shall be required to provide Eurex Clearing AG, upon request, any Tax Information.

Further, each Clearing Member or ISA Direct Clearing Member is obliged to inform Eurex Clearing AG without undue delay about any changes to the Tax Information previously provided to Eurex Clearing AG.

(3) Upon request by Eurex Clearing AG, each Clearing Member or ISA Direct Clearing Member shall provide any other Tax Information (including, inter alia, Tax Information required by Eurex Clearing to comply with its reporting requirements under 26 CFR § 1.1441-1 et seq. or any successor or replacement regulation thereto).

(4) Upon the request of a Clearing Member or ISA Direct Clearing Member, Eurex Clearing AG shall provide such Clearing Member or ISA Direct Clearing Member with Tax Information relating to Eurex Clearing AG that is available to Eurex Clearing AG, provided that the provision of the Tax Information would not materially prejudice the legal or commercial position of Eurex Clearing AG.

(5) If the identity of the original parties to an Original GC Pooling Repo Transaction or Original MTF Repo Transaction has been disclosed to each other, each Clearing Member or ISA Direct Clearing Member shall provide each corresponding Clearing Member or ISA Direct Clearing Member (and vice versa) upon request with any Tax Information, provided that the provision of the Tax Information would not materially prejudice the legal or commercial position of the Clearing Member or ISA Direct Clearing Member that has received such request.

1.5 Changes to Settlement or Collateral Management Infrastructure

(1) If, as reasonably determined by Eurex Clearing AG, the orderly settlement of a GC Pooling Repo Transaction is no longer ensured because the relevant Settlement Location or the relevant TPCM that has been or is to be involved in the settlement of such GC Pooling Repo Transaction decommissions or will decommission, or changes, its relevant systems or services (or parts thereof) that are required for such orderly settlement, the Clearing Member or ISA Direct Clearing Member shall cooperate with Eurex Clearing AG and, upon the request of Eurex Clearing AG, shall, at its own cost, take all actions that Eurex Clearing AG reasonably considers necessary to ensure the continuation of such orderly settlement, including, without limitation, open new cash and securities settlement accounts in or with the same or another Settlement Location or TPCM, participate in and establish a technical connection to a new Settlement Location or TPCM and enter into related arrangements with, as relevant, the same or another Settlement Location or TPCM.

(2) Eurex Clearing AG will notify the Clearing Member or ISA Direct Clearing Member (and its Clearing Agent) in sufficient detail of the decommissioning or changes to the relevant systems or services by the relevant Settlement Location or TPCM (unless such Settlement Location or TPCM itself informs the Clearing Member or ISA Direct Clearing Member of such decommissioning or changes) and of the relevant actions to be taken by the Clearing Member or ISA Direct Clearing Member pursuant to Paragraph (1), such notice to also state the final date on which such actions need to be completed (the "**Final Implementation Date**") and to be given reasonably in advance of the Final Implementation Date in order to allow the Clearing Member or ISA Direct Clearing Member to take the relevant actions, taking into account the interests of the Clearing Member or ISA Direct Clearing Member.

(3) If the Clearing Member refuses or fails to take the actions pursuant to Paragraphs (1) and (2) by the relevant Final Implementation Date (in which case the Clearing Member or ISA Direct Clearing Member will be a "**Non-Compliant Clearing Member**"), Eurex Clearing AG shall be entitled (but not obliged) to terminate, by notice to such Non-Compliant Clearing Member, one or more of the relevant outstanding GC Pooling Repo Transactions (to which such decommissioning or change of systems or services pursuant to Paragraph (1) relates) with such Non-Compliant Clearing Member, such termination notice to set a Business Day on which the termination in respect of each relevant outstanding GC Pooling Repo Transaction shall take effect.

Eurex Clearing AG's rights pursuant to Numbers 7 and 13 of the General Clearing Provisions and, with respect to an ISA Direct Light License Holder, Part 3 Number 3.5.1 shall remain unaffected.

(4) If Eurex Clearing AG, in accordance with Paragraph (3), terminates a GC Pooling Repo Transaction the Front Leg of which has already been settled, the maturity date (i.e. repurchase date) of the Term Leg of such GC Pooling Repo Transaction shall be accelerated, and the obligations of such Non-Compliant Clearing Member and of Eurex Clearing AG to settle the Term Leg of such GC Pooling Repo Transaction shall become due on the Business Day on which the termination takes effect.

In the case of such acceleration of the Term Leg, if Eurex Clearing AG reasonably determines that it is unable to purchase the relevant securities to be delivered by it under the Term Leg, Eurex Clearing AG may decide, by notice to the Non-Compliant Clearing Member, to perform a cash settlement in lieu of its securities delivery obligation under such GC Pooling Repo Transaction. The cash settlement amount shall be calculated based on the daily settlement price for the relevant securities notified in accordance with Part 2 Number 2.3 (2).

(5) In connection with a termination pursuant to Paragraph (3), Eurex Clearing AG may enter into GC Pooling Repo Transactions (corresponding to such terminated GC Pooling Repo Transactions) with one or more other Clearing Members or ISA Direct Clearing Members or into transactions with Clearing Members, ISA Direct Clearing Members or third parties, in each case in order to hedge its risks resulting from such termination.

(6) In deviation from Chapter I Number 1.2.2 (1) (a) and (b), Eurex Clearing AG may reject the conclusion of a GC Pooling Repo Transaction with a Non-Compliant Clearing Member that would be based on an order or quote entered into the trading systems of the relevant Market after the Final Implementation Date and with any settlement date that would fall on or after the relevant date that Eurex Clearing AG notifies reasonably in advance to the Clearing Members and ISA Direct Clearing Members (and their Clearing Agents) as the date on which the relevant existing Settlement Location or TPCM is no longer available; in the event of such rejection, neither such GC Pooling Repo Transaction with the Non-Compliant Clearing Member nor the corresponding GC Pooling Repo Transaction with the relevant other Clearing Member or ISA Direct Clearing Member will be established.

(7) The Non-Compliant Clearing Member shall reimburse Eurex Clearing AG for all reasonable costs and expenses incurred by Eurex Clearing AG that result from the Non-Compliant Clearing Member's refusal or failure to take the relevant actions pursuant to Paragraphs (1) and (2) by the Final Implementation Date, including, without limitation, reasonable costs and expenses relating to the acceleration of the Term Leg of the relevant GC Pooling Transaction(s) and the entering by Eurex Clearing into any corresponding GC Pooling Repo Transaction(s) and/or other transactions in accordance with Paragraph (5) or from a rejection pursuant to Paragraph (6), and indemnify Eurex Clearing AG against any damage claims of third

parties, in particular of other Clearing Members or ISA Direct Clearing Members that are parties to GC Pooling Repo Transactions that correspond to the GC Pooling Repo Transactions to which the termination pursuant to Paragraph (3) relates.

The right of Eurex Clearing AG to claim further damages shall remain unaffected.

(8) If and to the extent that, with respect to GC Pooling Repo Transactions of an ISA Direct Clearing Member, the Clearing Agent of such ISA Direct Clearing Member holds the relevant accounts, or is a party to the relevant arrangements, with the relevant Settlement Location or TPCM, such Clearing Agent shall be subject to the obligations set out in this Number 1.5, provided that if such Clearing Agent fails to take the actions pursuant to Paragraphs (1) and (2) by the Final Implementation Date, each of its relevant ISA Direct Clearing Members, but not such Clearing Agent, will be the Non-Compliant Clearing Member.

Part 2 Clearing of Repo Transactions

2.1 Repo Transactions

(1) A Repo Transaction is a purchase/sale of securities and their simultaneous forward re-purchase/re-sale and the payment of an interest ("**Repo Interest**"). Thus, such transaction is a combination of a purchase agreement ("**Front Leg**") with simultaneous re-purchase agreement ("**Term Leg**") of securities of the same type and category at a certain point in time.

(2) The settlement or clearing of Repo Transactions will be realized to the extent that the underlying securities of the respective Repo Transaction are cleared by Eurex Clearing AG and settled by the respective Settlement Location and that the prerequisites pursuant to this Number 2.1 are fulfilled.

2.1.1 Inclusion of Eurex Repo Transactions into Clearing by Open Offer or by Novation

(1) Eurex Clearing AG shall determine in consultation with Eurex Repo GmbH which kind of Eurex Repo Transactions or securities underlying these Eurex Repo Transactions shall be included in the Clearing. Clearing Members and ISA Direct Clearing Members will be notified by Eurex Clearing AG via electronic publication in the internet exclusively, available on the Eurex Clearing Website, as regards those securities transactions that are included in the Clearing. In connection with GC Pooling Repo Transactions, the notification of included securities shall be carried out in CmaX or in the relevant other TPCM.

(2) Eurex Repo Transactions shall be included in the Clearing by way of open offer or by way of novation in accordance with the Terms and Conditions for Participation and Trading on Eurex Repo GmbH.

2.1.2 Inclusion of Original MTF Repo Transactions into Clearing by Novation

(1) Eurex Clearing AG shall determine in consultation with the respective multilateral trading facility which kind of Original MTF Repo Transactions or securities underlying these Original MTF Repo Transactions shall be included in the Clearing. Clearing Members and ISA Direct Clearing Members will be notified by Eurex Clearing AG via electronic publication in the internet exclusively, available on the Eurex Clearing Website, as regards those securities transactions that are included in the Clearing. In connection with GC Pooling Repo Transactions, the notification for included securities shall be carried out in CmaX or in the relevant other TPCM.

(2) Each Clearing Member or ISA Direct Clearing Member agrees that upon acceptance of an Original MTF Repo Transaction for inclusion in the Clearing by Eurex Clearing AG based on the data and information of the Original MTF Repo Transaction transmitted by the multilateral trading facility to Eurex Clearing AG, transactions will be concluded between Eurex Clearing AG in its capacity as seller or

buyer, as applicable, and the respective Clearing Member or ISA Direct Clearing Member by way of novation subject to, and in accordance with, Chapter I Part 1 Number 1.2.2 (2) and the following provisions.

(3) Original MTF Repo Transactions have to be transmitted to Eurex Clearing AG in a standardized form by the respective multilateral trading facility accepted by Eurex Clearing AG which will provide information and notices regarding such transactions to Eurex Clearing AG.

Eurex Clearing AG makes no representation, whether expressed or implied, as to the complete and timely performance of the multilateral trading facility's duties and obligations vis-à-vis the Clearing Members and ISA Direct Clearing Members. Eurex Clearing AG assumes no liability to the Clearing Members and ISA Direct Clearing Members for any act or failure to act by the multilateral trading facility vis-à-vis the Clearing Members or ISA Direct Clearing Members in connection with any information or notices received by Eurex Clearing AG or given to the Clearing Members or ISA Direct Clearing Members via the multilateral trading facility, as the case may be.

(4) Eurex Clearing AG may reject (i.e. not accept) Original MTF Repo Transactions for inclusion in the Clearing, if the following conditions have not been complied with:

(a) Original MTF Repo Transactions are entered into the system of Eurex Clearing AG in accordance with Number 2.1.2 (1) above and comply with the requirements for Repo Transactions set out in this Chapter IV and the other formal requirements as defined by Eurex Clearing AG from time to time,

(b) each counterparty (other than Eurex Clearing AG) to an MTF Repo Transaction resulting from the novation is a Clearing Member or ISA Direct Clearing Member of Eurex Clearing AG, and

(c) the Clearing License of the involved relevant Clearing Member or ISA Direct Clearing Member is not suspended and a Termination Date has not occurred with respect to the relevant involved Clearing Member or ISA Direct Clearing Member, respectively.

(5) The MTF Repo Transactions resulting from the novation shall be established with the agreed terms set out in the respective information received by Eurex Clearing AG from the relevant Clearing Members or ISA Direct Clearing Members via the multilateral trading facility (such information, as amended from time to time and accepted by Eurex Clearing AG, the "**Repo Information**"). To the extent the rules of the multilateral trading facility so provide, the relevant Clearing Members or ISA Direct Clearing Members may, during the term of MTF Repo Transactions, at any time agree on an amendment of the Repo Information. The relevant MTF Repo Transactions shall be amended accordingly, provided that Eurex Clearing AG is entitled to reject such amendment.

(6) Following the conclusion of MTF Repo Transactions by way of novation pursuant to this Number 2.1.2, Eurex Clearing AG will on the same Business Day send corresponding confirmations to the respective Clearing Members or ISA Direct Clearing Members.

(7) The Clearing Member or ISA Direct Clearing Member shall check without undue delay all reports and other communications from Eurex Clearing AG received by it via the multilateral trading facility.

The Clearing Member or ISA Direct Clearing Member shall inform Eurex Clearing AG without undue delay of any errors or omissions by the multilateral trading facility that become apparent from such checks.

2.2 General Provisions

(1) For the settlement of Repo Transactions, the provisions under Chapter I Part 1 Number 1.2.5 and 1.4 apply, unless otherwise provided in Paragraph (2).

With regard to the securities admitted for delivery for GC Pooling Repo Transactions, the participating Clearing Members and ISA Direct Clearing Members shall receive a report on the available assets respectively held in their depositories.

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

(a) Purchase Agreement (Front Leg):

Under the Front Leg, all physical deliveries shall be made versus payment (*Zug-um-Zug*)

(i) between the relevant Clearing Member or ISA Direct Clearing Member obliged to deliver the Securities ("**Cash Taker**") and Eurex Clearing AG and

(ii) between the other relevant Clearing Member or ISA Direct Clearing Member which shall receive the Securities ("**Cash Provider**") and Eurex Clearing AG

on the agreed settlement date ("**Contractual Settlement Date**") of the Front Leg. Physical deliveries shall be made through a Settlement Location, and payments shall be made through the corresponding account determined by such Settlement Location.

(b) Repurchase Agreement (Term Leg):

Under the Term Leg, all physical deliveries shall be made versus payment (*Zug-um-Zug*)

(i) between the Cash Taker and Eurex Clearing AG, and

(ii) between the Cash Provider and Eurex Clearing AG

on the Contractual Settlement Date of the Term Leg. Physical deliveries shall be made through a Settlement Location, and payments shall be made through the corresponding account determined by such Settlement Location.

(c) Physical Deliveries:

The transfer of Securities to be delivered under Eurex Repo Transactions shall be performed in accordance with the provisions under Chapter I Part 1 Number 1.4.2.

(d) **Delivery and payment with regard to GC Pooling Repo Transactions:**

(i) Purchase Agreement (Front Leg):

Under the Front Leg of a GC Pooling Repo Transactions, Eurex Clearing AG agreed with the Cash Taker and the Cash Provider on the payment of a specific notional amount in the relevant currency versus the transfer of a certain scope of Securities forming part of a specific Securities Basket, which shall finally be selected by CmaX or the relevant other TPCM.

Under the Front Leg, all physical deliveries shall be made versus payment (*Zug-um-Zug*)

(I) between the Cash Taker and Eurex Clearing AG and

(II) between the Cash Provider and Eurex Clearing AG

on the agreed Contractual Settlement Date of the Front Leg.

Physical deliveries shall be made through a Settlement Location, and payments shall be made through the corresponding account determined by such Settlement Location

(ii) Repurchase Agreement (Term Leg):

Under the Term Leg of a GC Pooling Repo Transactions, Eurex Clearing AG agreed with the Cash Taker and the Cash Provider on the re-payment of the specific notional amount paid under the Front Leg in the relevant currency versus the re-transfer of the relevant securities determined and reserved for such GC Pooling Repo Transaction.

Provided that the underlying Securities, which have been transferred under the Front Leg, have been substituted during the term of the GC Pooling Repo Transaction, such substituted Securities shall become the relevant underlying Securities during the term of the GC Pooling Repo Transaction.

All physical deliveries shall be made versus payment (*Zug-um-Zug*)

(I) between the Cash Taker and Eurex Clearing AG and

(II) between the Cash Provider and Eurex Clearing AG

on the agreed Contractual Settlement Date of the Term Leg.

Physical deliveries shall be made through a Settlement Location, and payments shall be made through the corresponding account determined by such Settlement Location.

(iii) Exposure Adjustment Requests

After each Settlement Date Exposure Netting pursuant to Number 2.6, Eurex Clearing AG submits the required Exposure Adjustment Requests to CmaX or the relevant other TPCM to adjust the relevant exposures and to initiate the required Securities transfer.

With respect to Same Day Repo Transactions, Settlement Date Exposure Netting does not apply, instead Eurex Clearing AG submits separate Exposure Adjustment Requests to CmaX or the relevant other TPCM.

(iv) Settlement of the Exposure Adjustment Requests

After receipt of the Exposure Adjustment Requests, CmaX or the relevant other TPCM shall adjust the relevant exposures and shall select the relevant Securities forming part of the relevant Securities Basket to be transferred.

CmaX, the relevant other TPCM or Eurex Clearing AG shall enter the required Settlement Instructions and/or Payment Instructions (if any) into the systems of the relevant Settlement Locations or payment accounts.

The transfer of Securities shall be performed in accordance with the provisions under Chapter I Part 1 Number 1.4.2.

(v) Eurex Clearing AG makes no representation, whether expressed or implied, as to the complete and timely fulfillment of obligations by CmaX or the relevant other TPCM vis-à-vis the Clearing Members or ISA Direct Clearing Members.

Eurex Clearing AG assumes no liability to the Clearing Members or ISA Direct Clearing Members for any act or failure to act by CmaX or the relevant other TPCM in connection with the delivery or Substitution of underlying Securities and corporate actions with regard to such underlying Securities.

(vi) Target Settlement Times

For the purpose of this Chapter IV, "**Target Settlement Time**" shall mean the time until which any delivery or payment incumbent on the Clearing

Member or ISA Direct Clearing Member must be made available for settlement in such a way that the Clearing Member or ISA Direct Clearing Member is able to fulfil its obligations vis-à-vis Eurex Clearing AG for the relevant day of performance.

(aa) Target Settlement Times for GC Pooling Repo Transactions:

(I) With regard to GC Pooling Repo Transactions settled in Euro ("**EUR**"), in Swiss Franc ("**CHF**"), in Great British Pound ("**GBP**"), in Danish Krone ("**DKK**"), in Swedish Krona ("**SEK**") or in Norwegian Krone ("**NOK**") (each a "**Settlement Currency**" and together the "**Settlement Currencies**") on a Business Day other than the trade date, the Target Settlement Time shall be 10:15 hours (Frankfurt am Main time).

With regard to GC Pooling Repo Transactions, which are settled in any Settlement Currency and whose trade date equals the settlement date of the Front Leg, the Target Settlement Time shall be 30 minutes after the conclusion of the GC Pooling Repo Transaction.

(II) With regard to GC Pooling Repo Transactions settled in U.S. Dollar ("**USD**") on a Business Day other than the trade date, the Target Settlement Time shall be 15:00 hours (Frankfurt am Main time).

With regard to GC Pooling Repo Transactions, which are settled in USD and with respect to which trade date and settlement date of the Front Leg are identical, the Target Settlement Time shall be (i) for Transactions which are concluded until 14:30 (Frankfurt am Main time) 15:00 (Frankfurt am Main time), and (ii) for Transactions which are concluded after 14:30 (Frankfurt am Main time), there is a fulfilment no later than 30 minutes after the conclusion of the GC Pooling Repo Transaction.

(bb) Target Settlement Times for GC Pooling FL Early Settlement Repo Transactions

Eurex Clearing AG may offer the Clearing of GC Pooling Repo Transactions prior to the Target Settlement Time for the Front Leg ("**GC Pooling FL Early Settlement Repo Transactions**"). Multilateral trading facilities may submit qualifying transactions with a special identifier agreed between Eurex Clearing AG and the relevant multilateral trading facility to identify them as GC Pooling FL Early Settlement Repo Transactions or Eurex Clearing AG and the relevant multilateral trading facility may agree in advance to handle certain transactions as GC Pooling FL Early Settlement Transactions.

If the Front Leg of each GC Pooling FL Early Settlement Repo Transaction is settled in any currency on a Business Day other than the trade date, the Target Settlement Time shall be 07:30 hours (Frankfurt am Main time).

Except as otherwise provided in this Subparagraph (bb), Subparagraph (aa) shall apply *mutatis mutantis*.

(cc) Target Settlement Times for GC Pooling TL Early Settlement Transactions

Eurex Clearing AG may offer the Clearing of GC Pooling Repo Transactions prior to the Target Settlement Time for the Term Leg ("**GC Pooling TL Early Settlement Transactions**"). Subparagraph (bb) shall apply *mutatis mutantis*.

(dd) Target Settlement Times for GC Pooling FLTL Early Settlement Transactions

Eurex Clearing AG may offer the Clearing of GC Pooling Repo Transactions with an earlier Target Settlement Time for both the Front Leg and the Term Leg than the time specified in Subparagraph (aa) ("**GC Pooling FLTL Early Settlement Transactions**"). Subparagraph (bb) shall apply *mutatis mutantis*.

2.3 Daily Valuation

(1) For each delivery of the underlying security to the respective Eurex Repo Transaction which has not yet been performed, unrealized profits and losses will be determined daily on the basis of the current market prices and set off against the collateral provided. The amount of the collateral to be provided shall equal the difference between the price at which the transaction was concluded and the daily settlement price for such Business Day.

(2) The daily settlement price shall be determined by Eurex Clearing AG after close of trading and notified to the Clearing Members and ISA Direct Clearing Members (or the Clearing Agent acting in the name of an ISA Direct Clearing Member).

(3) For unfulfilled deliveries within the context of GC Pooling Repo Transactions, an evaluation of the securities to be delivered, which are selected by CmaX or by the relevant other TPCM pursuant to Paragraph (1) and (2), will be carried out pursuant to Number 2.2 Paragraph (2) d) in relation to the relevant claim in the underlying currency.

2.4 Payment of Interests and Dividends, as well as other Corporate Actions (Compensation)

(1) If interests are paid with respect to the underlying Securities during the term of a Repo Transaction (other than a GC Pooling Repo Transaction), Eurex Clearing AG shall ensure the credit of the accrued amount of interests ("**Compensation Amount**") to the relevant cash account of the Clearing Member or ISA Direct Clearing Member which was the seller of the underlying Securities under the Front Leg of the relevant Repo Transaction (other than a GC Pooling Repo Transaction).

Eurex Clearing AG shall ensure the debit of the relevant cash account of the Clearing Member or ISA Direct Clearing Member, which was the buyer of the underlying Securities under the Front Leg of the relevant Repo Transaction (other

than a GC Pooling Repo Transaction), in an amount equal to the Compensation Amount.

The relevant cash settlement shall be made through the RTGS DCAs, the euroSIC Accounts, the accounts with Euroclear Bank S.A./N.V. in Brussels or accounts with Clearstream Banking S.A.

(2) Under a GC Pooling Repo Transaction, any credits or debits of interest or dividend payments with respect to the underlying Securities during the term of such GC Pooling Repo Transaction are executed in accordance with the rules of CmaX or the relevant other TPCM. Eurex Clearing AG shall not be responsible for the execution of such credits or debits.

2.5 Settlement Date Netting

Eurex Clearing AG and the Clearing Member or ISA Direct Clearing Member may agree upon a netting of delivery and payment obligations arising from Repo Transactions (other than GC Pooling Repo Transactions) subject to and in accordance with the following provisions ("**Settlement Date Netting**").

2.5.1 General provisions for Settlement Date Netting

(1) The Settlement Date Netting shall occur at the end of the Business Day immediately prior to the Contractual Settlement Date ("**Netting Date**") and relates to all Front Legs and Term Legs of Eurex Repo Transactions or MTF Repo Transactions that form part of the same Net Processing Unit.

(2) A "**Net Processing Unit**" comprises all Front Legs and Term Legs meeting the following requirements (each a "**Netted Transaction**"):

(a) all Netted Transactions have the same Contractual Settlement Date,

(b) all Netted Transactions arise from Eurex Repo Transaction or MTF Repo Transactions (for the avoidance of doubt, netting may also occur across different trading venues),

(c) all delivery obligations relate to shares, securities, rights or other instruments ("**Relevant Securities**"), in each case with the same ISIN (or other securities identification number),

(d) all payment obligations are denominated in the same currency,

(e) all Netted Transactions are booked into the same Transaction Account,

(f) the Clearing Member or ISA Direct Clearing Member has designated the same Settlement Location with respect to all Netted Transactions, and

(g) the Clearing Member or ISA Direct Clearing Member has designated the same securities accounts with the relevant Settlement Location to be used for performing the delivery obligations under all Netted Transactions.

The Front Leg of Repo Transactions with a trade date, which is the same as its Contractual Settlement Date ("**Same Day Repo Transactions**"), do not form part of a Net Processing Unit. Same Day Repo Transactions are settled on a gross basis.

(3) The Clearing Member or ISA Direct Clearing Member agrees with Eurex Clearing AG that the Settlement Date Netting deviates from the set-off requirements stipulated by Section 387 of the German Civil Code (*Bürgerliches Gesetzbuch*) and that the Settlement Date Netting shall occur (i) prior to the point in time when the delivery and payment obligations of the Clearing Member or ISA Direct Clearing Member towards Eurex Clearing AG become due (*Fälligkeit*) and (ii) prior to the point in time when Eurex Clearing AG can effect its delivery and payment obligations towards the Clearing Member or ISA Direct Clearing Member (*Erfüllbarkeit*). The point in time when the Settlement Date Netting becomes effective is determined under Number 2.5.2 below.

(4) Within the process of the Settlement Date Netting, Eurex Clearing AG allocates each Netted Transaction to either the Surplus Block or the Offset Block on the basis of a pre-defined and non-discretionary algorithm. The allocation of the relevant Netted Transaction to either the Offset Block or the Surplus Block is legally binding for the Clearing Member or ISA Direct Clearing Member.

"**Offset Block**" consists of all Netted Transactions of the same Net Processing Unit with respect to which the netting of all delivery and payment obligations arising from such Netted Transactions results in a net payment obligation only, without any delivery obligation. To further increase the netting effects, Eurex Clearing AG may split the relevant Netted Transactions.

"**Surplus Block**" consists of all Netted Transactions, which do not form part of the Offset Block and with respect to which the aggregation of the delivery obligations arising from such Netted Transactions results in either a sell or buy surplus.

2.5.2 Processing Methods

The Clearing Member or ISA Direct Clearing Member may select one of the following processing methods (each a "**Processing Method**") shall be applicable:

(i) all Relevant Transactions shall be netted in accordance with Paragraph (1) ("**Settlement Date Netting**"), or

(ii) no Settlement Date Netting shall apply in accordance with Paragraph (2) ("**Gross Processing**"),

Settlement Date Netting shall be the default Processing Method. Eurex Clearing AG ensures that the relevant Processing Method specified by the Clearing Member or ISA Direct Clearing Member shall be applied in Eurex Clearing AG's systems as soon as reasonably practicable.

(1) **Settlement Date Netting**

If Settlement Date Netting is the applicable Processing Method, the Clearing Member or ISA Direct Clearing Member can select either (i) Dual Instruction Netting in accordance with Paragraph (a) or (ii) Single Instruction Netting in accordance with Paragraph (b) (each a "**Netting Option**").

(a) **Dual Instruction Netting**

(i) Under Dual Instruction Netting, the delivery and payment obligations arising from the Surplus Block and the payment obligation arising from the Offset Block are instructed separately by Eurex Clearing AG provided that no Strange Net has occurred pursuant to Paragraph (iv) below ("**Dual Instruction Netting**").

(ii) **Surplus Block**

(I) After the occurrence of the Settlement Date Netting, Eurex Clearing AG enters settlement instructions into the systems of the relevant Settlement Location (each a "**Settlement Instruction**") relating to the delivery and payment obligations arising from the Netted Transactions which are allocated to the Surplus Block.

(II) All delivery and payment obligations arising from the Netted Transactions which are allocated to the Surplus Block shall be deemed discharged as of the point in time when the relevant securities and cash amounts are actually debited and credited from the relevant securities and cash accounts by the relevant Settlement Location.

(III) Provided that the relevant Settlement Location supports partial deliveries and a partial delivery of Securities occurs with respect to a Settlement Instruction, Eurex Clearing AG partially allocates the delivered Securities among the Netted Transactions forming part of the Surplus Block on basis of a pre-defined and non-discretionary algorithm. Such allocation shall constitute a legally binding obligation between Eurex Clearing AG and the Clearing Member or ISA Direct Clearing Member.

The delivery and payment obligations arising from the Surplus Block shall be deemed partially discharged as of the point in time when the relevant securities and cash amounts are actually debited and credited from the relevant securities and cash accounts by the relevant Settlement Location.

(iii) **Offset Block**

(I) After the occurrence of the Settlement Date Netting, Eurex Clearing AG enters cash-only instructions into the systems of the relevant payment bank (each a "**Payment Instruction**") relating to the

payment obligation arising from the Netted Transactions which are allocated to the Offset Block.

(II) All delivery and payment obligations arising from all Netted Transactions allocated to the Offset Block shall be deemed discharged as of the point in time when the relevant cash amounts are actually debited and credited from the relevant cash accounts by the relevant payment bank.

(iv) **Strange Nets**

In case of the following scenarios (each a "**Strange Net**"), the following shall apply:

(I) In case the Settlement Date Netting of all Netted Transactions forming part of the same Net Processing Unit results in no delivery obligation and no payment obligation, Eurex Clearing AG does not enter any Settlement Instruction or Payment Instruction.

All delivery and payment obligations arising from all Netted Transactions forming part of the same Net Processing Unit shall be deemed discharged as of the beginning of the Contractual Settlement Date.

(II) In case the Settlement Date Netting of all Netted Transactions forming part of the same Net Processing Unit results in a cash-only obligation, without any delivery obligation, Eurex Clearing AG only enters the relevant Payment Instructions.

All delivery and payment obligations arising from all Netted Transactions forming part of the same Net Processing Unit shall be deemed discharged as of the point in time when the relevant cash amounts are actually debited and credited from the relevant cash accounts by the relevant payment bank.

(b) **Single Instruction Netting**

(i) Under the Single Instruction Netting, the payment obligation arising from the Offset Block is considered in the netting result of the Surplus Block resulting in a single settlement instruction ("**Single Instruction Netting**").

(ii) **Surplus Block**

The provisions under Paragraph (a) (ii) above shall apply accordingly to Single Instruction Netting.

(iii) **Offset Block**

(I) Notwithstanding Strange Nets, Eurex Clearing AG does not enter any Payment Instruction with respect to the Offset Block.

(II) All delivery and payment obligations arising from all Netted Transactions allocated to the Offset Block shall be deemed discharged as of the point in time when the relevant securities and cash amounts are fully debited and credited from the relevant securities and cash accounts by the relevant Settlement Location in accordance with the Settlement Instruction entered into by Eurex Clearing AG pursuant to Paragraph (b) (ii) above.

(iv) **Strange Nets**

In case of the following scenarios (each a "**Strange Net**"), the following shall apply:

(I) In case the Settlement Date Netting of all Netted Transactions forming part of the same Net Processing Unit results in no delivery obligation and no payment obligation, Eurex Clearing AG does not enter any Settlement Instruction or Payment Instruction.

All delivery and payment obligations arising from all Netted Transactions forming part of the same Net Processing Unit shall be deemed discharged as of the beginning of the Contractual Settlement Date of all Netted Transactions.

(II) In case the Settlement Date Netting of all Netted Transactions forming part of the same Net Processing Unit results in a cash-only instruction, without any delivery obligation, Eurex Clearing AG enters a Payment Instruction.

All delivery and payment obligations arising from all Netted Transactions forming part of the same Net Processing Unit shall be deemed discharged as of the point in time when the relevant cash amounts are actually debited and credited from the relevant cash accounts by the relevant payment bank.

(III) In case the Settlement Date Netting results in a delivery obligation only without any payment obligation, Eurex Clearing AG will apply Aggregation.

"**Aggregation**" means the following:

(A) All delivery and payment obligations of all Netted Transactions forming part of the same Net Processing Unit and which have a delivery obligation for the Clearing Member or ISA Direct Clearing Member are aggregated ("**Aggregated Sell Position**").

(B) All delivery and payment obligations of all Netted Transactions forming part of the same Net Processing Unit and which have a delivery obligation for Eurex Clearing AG are aggregated ("**Aggregated Buy Position**").

(C) Eurex Clearing AG enters the relevant Settlement Instructions for the Aggregated Sell Positions and the Aggregated Buy Positions into the systems of the relevant Settlement Location.

(D) All delivery and payment obligations arising from the Netted Transactions forming part of the Aggregated Sell Position shall be deemed discharged as of the point in time when the relevant securities and cash amounts are actually debited and credited from the relevant securities and cash accounts by the relevant Settlement Location. The same shall apply with respect to all delivery and payment obligations arising from the Netted Transactions forming part of the Aggregated Buy Position.

(E) Provided that the Settlement Location supports partial deliveries and a partial delivery of Securities occurs with respect to a Settlement Instruction entered into the systems of the relevant Settlement Location, Eurex Clearing AG partially allocates the delivered Securities among the Netted Transactions forming part of the Surplus Block on basis of a pre-defined and non-discretionary algorithm. Such allocation shall constitute a legally binding obligation between Eurex Clearing AG and the Clearing Member or ISA Direct Clearing Member.

The delivery and payment obligations arising from the Surplus Block shall be deemed partially discharged as of the point in time when the relevant securities and cash amounts are actually debited and credited from the relevant securities and cash accounts by the relevant Settlement Location.

(IV) In case the Settlement Date Netting results in a delivery obligation and a payment obligation for one (but not for the other) party, Eurex Clearing AG will apply Aggregation pursuant to Paragraph (III) above.

(2) **Gross Processing**

If Gross Processing is the applicable Processing Method, no Settlement Date Netting occurs and all Repo Transactions are settled on a gross basis. Eurex Clearing AG will enter separate Settlement Instructions into the systems of the relevant Settlement Location for each Repo Transaction.

(3) **Shaping**

Prior to the entering of Settlement Instruction or a Payment Instruction, Eurex Clearing AG may split a Settlement Instruction or a Payment Instruction with a high notional value into several instructions with smaller notional value (“**Shaping**”).

2.5.3 Reporting

(1) Eurex Clearing AG will inform the Clearing Member or ISA Direct Clearing Member of the results of any Settlement Date Netting pursuant to Number 2.5.2 (2) after the completion of the end-of-day processing on the relevant Netting Date by providing a report.

(2) Eurex Clearing AG will inform the Clearing Member or ISA Direct Clearing Member of the settlement status of each Netted Transaction at the end of each Contractual Settlement Date by providing a settlement report.

2.6 Settlement Date Exposure Netting with respect to GC Pooling Repo Transactions

With respect to GC Pooling Repo Transaction, Eurex Clearing AG applies a mandatory netting of delivery and payment obligations arising from all GC Pooling Repo Transactions of the relevant Clearing Member or ISA Direct Clearing Member ("Settlement Date Exposure Netting") subject to and in accordance with the following provisions.

2.6.1 General provisions for Settlement Date Exposure Netting

(1) The Settlement Date Exposure Netting shall occur on the Netting Date and relates to all Front Leg(s) and Term Leg(s) of GC Pooling Repo Transactions that form part of the relevant Net Processing Unit.

(2) A "**Net Processing Unit**" comprises all Front Leg(s) and Term Leg(s) meeting the following requirements (each a "**Netted GC Pooling Repo Transaction**"):

(a) all Netted GC Pooling Repo Transactions arise from GC Pooling Repo Transactions,

(b) all delivery obligations relate to the same Securities Basket ("**Relevant Securities**"), and

(c) all requirements stipulated under Number 2.5.1 (2) (a), (d), (e), (f), and (g).

The Front Legs of GC Pooling Repo Transactions qualifying as Same Day Repo Transactions do not form part of a Net Processing Unit. Same Day Repo Transactions are settled on a gross basis.

(3) The provisions under Number 2.5.1 (3) and (4) shall apply accordingly to Settlement Date Exposure Netting.

2.6.2 Processing Methods

(1) The only Processing Method with respect to GC Pooling Repo Transaction shall be that all delivery and payment obligations arising from all Relevant Transactions are netted ("**Settlement Date Exposure Netting**").

Gross Processing will be applied for Same Day Repo Transactions only.

(2) **Netting Options**

The Clearing Member or ISA Direct Clearing Member can select

(i) Dual Instruction Netting in accordance with Paragraph (a) below or

(ii) Single Instruction Netting in accordance with Paragraph (b) below (each a "**Netting Option**").

(a) Dual Instruction Netting

(i) Under the Dual Instruction Netting, the delivery and payment obligations arising from the Surplus Block and the Offset Block after the Settlement Date Exposure Netting are instructed separately by either (i) CmaX or the relevant other TPCM or (ii) Eurex Clearing AG (provided that no Strange Net pursuant to Paragraph (iv) has occurred).

(ii) **Surplus Block**

(I) After the Settlement Date Exposure Netting, Eurex Clearing submits the netting results and Exposure Adjustment Requests to CmaX or the relevant other TCPM.

(II) After receipt of the Exposure Adjustment Requests, CmaX or the relevant other TPCM shall adjust the relevant exposures and shall select the relevant Securities forming part of the relevant Securities Basket to be transferred.

Cmax or the relevant other TPCM shall enter the required Settlement Instructions into the systems of the relevant Settlement Locations.

(III) All delivery and payment obligations arising from the Netted Transactions which are allocated to the Surplus Block shall be deemed discharged as of the point in time when the relevant securities and cash amounts are actually debited and credited from the relevant securities and cash accounts by the relevant Settlement Location.

(IV) In case the Exposure Adjustment Request submitted to CmaX or the relevant other TPCM can only be partially fulfilled, Eurex Clearing AG partially allocates the delivered Securities among the Netted Transactions forming part of the Surplus Block on basis of a pre-defined and non-discretionary algorithm. Such allocation shall constitute a legally binding obligation between Eurex Clearing AG and the Clearing Member or ISA Direct Clearing Member.

The delivery and payment obligations arising from the Surplus Block shall be deemed partially discharged as of the point in time when the relevant securities and cash amounts are actually debited and

credited from the relevant securities and cash accounts by the relevant Settlement Location.

(iii) **Offset Block**

(I) After the occurrence of the Settlement Date Exposure Netting, Eurex Clearing AG enters cash-only instructions into the systems of the relevant payment bank (each a "**Payment Instruction**") relating to the payment obligation arising from the Netted Transactions which are allocated to the Offset Block.

(II) All delivery and payment obligations arising from all Netted Transactions allocated to the Offset Block shall be deemed discharged as of the point in time when the relevant cash amounts are actually debited and credited from the relevant cash accounts by the relevant payment bank.

(iv) **Strange Nets**

In case of the following scenarios (each a "**Strange Net**"), the following shall apply:

(I) In case the Settlement Date Netting of all Netted Transactions forming part of the same Net Processing Unit results in no delivery obligation and no payment obligation, Eurex Clearing AG does not submit an Exposure Adjustment Request and does not enter any Payment Instruction.

All delivery and payment obligations arising from all Netted Transactions forming part of the same Net Processing Unit shall be deemed discharged as of the beginning of the Contractual Settlement Date of all Netted Transactions.

(II) In case the Settlement Date Netting of all Netted Transactions forming part of the same Net Processing Unit results in a cash-only obligation, without any delivery obligation, Eurex Clearing AG does not submit an Exposure Adjustment Request and enters only the relevant Payment Instructions.

All delivery and payment obligations arising from all Netted Transactions forming part of the same Net Processing Unit shall be deemed discharged as of the point in time when the relevant cash amounts are actually debited and credited from the relevant cash accounts by the relevant payment bank.

(b) Single Instruction Netting

(i) Under the Single Instruction Netting, the payment obligation arising from the Offset Block and the Surplus Block shall be instructed by CmaX or the

relevant other TPCM provided that no Strange Net has occurred ("**Single Instruction Netting**").

(ii) **Surplus Block**

The provisions under Paragraph (a) (ii) above shall apply accordingly to Single Instruction Netting.

(iii) **Offset Block**

(I) Notwithstanding Strange Nets, Eurex Clearing AG does not enter any Payment Instruction with respect to the Offset Block.

(II) The results of the Settlement Date Exposure Netting with respect to the Offset Block forms part of the Exposure Adjustment sent to CmaX or the relevant other TCPM by Eurex Clearing AG pursuant to Paragraph (ii) (I) above.

(III) After receipt of the Exposure Adjustment Requests, CmaX or the relevant other TPCM shall adjust the relevant exposures and shall enter the required Payment Instructions into the systems of the relevant payment bank.

(IV) All delivery and payment obligations arising from all Netted Transactions allocated to the Offset Block shall be deemed discharged as of the point in time when the relevant cash amounts are fully debited and credited from the relevant cash accounts by the relevant payment bank.

(iv) **Strange Nets**

In case of the following scenarios (each a "**Strange Net**"), the following shall apply:

(I) In case the Settlement Date Exposure Netting of all Netted Transactions forming part of the same Net Processing Unit results in no delivery obligation and no payment obligation, Eurex Clearing AG does not submit any Exposure Adjustment Request.

All delivery and payment obligations arising from all Netted Transactions forming part of the same Net Processing Unit shall be deemed discharged as of the beginning of the Contractual Settlement Date of all Netted Transactions.

(II) In case the Settlement Date Netting of all Netted Transactions forming part of the same Net Processing Unit results in a cash-only instruction, without any delivery obligation, Eurex Clearing AG submits the relevant Exposure Adjustment Requests.

All delivery and payment obligations arising from all Netted Transactions forming part of the same Net Processing Unit shall be deemed discharged as of the point in time when the relevant cash amounts are actually debited and credited from the relevant cash accounts by the relevant payment bank.

(III) In case the Settlement Date Netting results in a delivery obligation only, without any payment obligation, Eurex Clearing AG will submit Exposure Adjustment Requests.

In such case, the provisions under Paragraph (2) (a) (ii) (II) to (IV) above shall apply accordingly here.

(IV) In case the Settlement Date Netting results in a delivery obligation and a payment obligation for one (but not for the other) party, Eurex Clearing AG will submit Exposure Adjustment Requests.

In such case, the provisions under Paragraph (2) (a) (ii) (II) to (IV) above shall apply accordingly here.

2.6.3 Reporting

The provisions under Number 2.5.3 shall apply accordingly to Settlement Date Exposure Netting.

2.6.4 Additional Provisions with respect to a Clearing Member or ISA Direct Clearing Member without a T2S dedicated cash account

(1) Each Clearing Member or ISA Direct Clearing Member requires a dedicated cash account in the T2S system to settle GC Pooling Repo Transactions in central bank money. If a Clearing Member or ISA Direct Clearing Member does not hold a T2S dedicated cash account, they use a sponsored T2S dedicated cash account made available on CmaX. In this case. CmaX processes the Exposure Adjustment Requests in a sequential manner with the consequence that any sub-sequent Exposure Adjustment Request will only be processed after the preceding Exposure Adjustment Request is fully processed by CmaX. For the avoidance of doubt, any sub-sequent Exposure Adjustment Requests will be put “on-hold” by CmaX until the preceding Exposure Adjustment Request is fully processed.

(2) If the processing of an Exposure Adjustment Request submitted to CmaX with respect to GC Pooling Repo Transactions pursuant to this Paragraph (1) is delayed due to any action or omission by the relevant Clearing Member or ISA Direct Clearing Member (or Clearing Agent acting on behalf of the ISA Direct Clearing Member) and provided that Eurex Clearing AG suffers any loss due to such delay (in particular any financing or interest costs), the relevant Clearing Member or ISA Direct Clearing Member shall be obliged to compensate Eurex Clearing AG for any such losses.

2.7 Failure to Deliver or to Pay

2.7.1 Failure to deliver or pay on the Contractual Settlement Date of the Front Leg

(1) Repo Transactions (other than GC Pooling Repo Transaction)

(a) If, under a Repo Transaction (other than a GC Pooling Repo Transaction), on the Contractual Settlement Date of the Front Leg

(i) the Cash Taker fails to deliver the owed Securities, or

(ii) the Cash Provider fails to transfer the owed purchase price,

until the applicable settlement cut-off time ("**Settlement Cut-Off Time**"), Eurex Clearing AG shall be entitled to determine an earlier repurchase date with respect to the Term Leg of the relevant Repo Transaction on either the present Business Day or at the latest (including) on the Contractual Settlement Date of the Term Leg ("**Accelerated Repurchase Date**").

The acceleration of the repurchase date in case of items (i) and (ii) applies in both cases to

(I) the Term Leg of the Repo Transaction between Eurex Clearing AG and the Cash Taker and

(II) the Term Leg of the corresponding Repo Transaction between Eurex Clearing AG and the Cash Provider.

Eurex Clearing AG shall be obliged to determine an Accelerated Repurchase Date pursuant to this Paragraph (i), if the Cash Provider (or the Clearing Agent acting in the name of the relevant ISA Direct Clearing Member), which did not receive the relevant Securities under the corresponding Repo Transaction between Eurex Clearing AG and the Cash Provider on the Contractual Settlement Date of the Front Leg, requests in writing that Eurex Clearing AG shall determine an Accelerated Repurchase Date.

(b) In case of the non-delivery of Securities by the Cash Taker, the following shall apply:

Upon the determination of an Accelerated Repurchase Date with respect to the relevant Repo Transactions, all mutual obligations arising

(i) from the Front Leg and the Term Leg of the relevant Repo Transaction between Eurex Clearing AG and the Cash Taker and

(ii) from the Front Leg and the Term Leg of the corresponding Repo Transaction between Eurex Clearing AG and the Cash Provider shall be set-off with each other.

The only remaining obligation shall be the payment of the agreed Repo Interest. The payable Repo Interests shall be calculated for the period as of the Contractual Settlement Date (including) of the Front Leg until the Accelerated Repurchase Date (excluding).

If a negative Repo Interest has been agreed upon, the calculation of the repo interest no longer applies.

(c) In case of the non-payment of the cash amount by the Cash Provider, the following shall apply:

With respect to the Cash Provider, the provisions under Paragraph (b) above shall apply accordingly.

With respect to the Cash Taker, Eurex Clearing AG shall re-transfer the Securities to the Cash Taker versus the payment of the agreed repurchase price and the agreed Repo Interest (if any).

(d) The contractual penalty for a failure to deliver Securities pursuant to Chapter I Part I Number 14.2.2 shall not apply. In case of failure to pay cash, the contractual penalty pursuant to Chapter I Part I Number 14.2.2 shall apply. In respect of a failure to deliver CSDR Penalty In-Scope Securities the provisions on penalties set out in Chapter I Part 1 Number 1.4.4.2 (2) apply.

(2) GC Pooling Repo Transactions

(a) If, under a GC Pooling Repo Transaction,

(i) the Cash Taker fails to deliver Securities selected and instructed by CmaX or the other TCPM on the Contractual Settlement Date of the Front Leg, or

(ii) the Cash Provider fails to transfer the agreed cash amount on the Contractual Settlement Date of the Front Leg,

until the applicable Settlement Cut-Off Time, the provisions under Paragraph (1) (a), (b) and (c) shall apply *mutatis mutandis*, unless provided otherwise herein.

(b) In addition, the following provision shall apply:

(i) The Clearing Member or ISA Direct Clearing Member acknowledges that Clearstream Banking S.A. or the relevant other TPCM informs Eurex Clearing AG about any failure to deliver or pay.

(ii) The failing Clearing Member or ISA Direct Clearing Member shall pay, in accordance with the instructions received from Eurex Clearing AG, a contractual penalty in the amount of 0.015 per cent of the relevant unpaid

due amount (in case of a failure to deliver Securities, the amount shall be determined based on the agreed purchase price of the GC Pooling Repo Transaction), but no less than EUR 1,500 and not more than EUR 15,000 per Business Day on which the failure continues

The contractual penalty shall not apply, if such failure to deliver Securities or such failure to provide the cash amount results from a Force Majeure Event, a Market Disorder Event, or if the Clearing Member or ISA Direct Clearing Member is not responsible for such failure.

In unreasonable scenarios, Eurex Clearing AG may under consideration of the interest of the relevant Clearing Member or ISA Direct Clearing Member (partly or fully) refrain from charging a contractual penalty.

The right of Eurex Clearing AG to claim further damages or default interest shall remain unaffected, provided that any amount received as a contractual penalty under this provision shall be deducted from any potential claim for damages or default interest based on the same facts. In the scope of its application, this contractual penalty takes precedence over the contractual penalty provided in Chapter I Part 1 Number 14.2.2.

(3) Redemption of Securities

(a) If Securities that have been delivered under the Front Leg of a Repo Transaction and have been redeemed by the issuer prior to the settlement of the Term Leg of the Repo Transactions, the following shall apply.

(b) Any obligation relating to the transfer of the securities that have been redeemed shall be canceled and replaced by an obligation of the Cash Provider to pay to Eurex Clearing AG an amount equal to the relevant redemption amount actually paid by the issuer of the relevant Securities and an obligation of Eurex Clearing AG to pay the amount so received to the Cash Taker. Unless otherwise determined by Eurex Clearing AG, the payment shall be processed in accordance with the rules (if any) of the Settlement Location based on pending delivery instructions for the settlement of the Term Leg of the Repo Transaction.

(c) The obligation of the Cash Taker to pay the agreed repurchase price and the agreed Repo Interest (if any) to Eurex Clearing AG as well as the corresponding obligation of Eurex Clearing AG to pay a corresponding amount to the Cash Provider shall remain unaffected and shall, unless otherwise instructed by Eurex Clearing AG be performed in accordance with Chapter I Part 1 No. 1.4.1.

2.7.2 Failure to deliver or to pay on the Contractual Settlement Date of the Term Leg

(1) Repo Transactions (other than GC Pooling Repo Transactions)

(a) If, under a Repo Transaction (other than a GC Pooling Repo Transaction), the Cash Provider fails to deliver the Securities on the 5th Business Day after the Contractual Settlement Date of the Term Leg prior to expiry of the Settlement

Cut-Off Time, Eurex Clearing AG shall be entitled to initiate a buy-in within the meaning of Chapter I Part 1 Number 1.4.4 (1).

In case such buy-in attempt fails, Eurex Clearing is entitled to initiated a further buy-in on the 10th and 27th Business Day following the Contractual Settlement Date of the Term Leg.

(b) If the required Securities cannot be acquired wholly or can be acquired only partially by way of a buy-in according to Paragraph (a), Eurex Clearing AG is entitled to perform a cash settlement of the relevant Repo Transaction on the Determination Date by determining a cash settlement amount with respect to the non-delivered Securities.

The "**Determination Date**" shall be a Business Day between the 30th and the 36th Business Day after the Contractual Settlement Date of the Term Leg of the late Cash Provider. For the cash settlement, Eurex Clearing AG will determine a Term Leg of a Cash Taker to whom delivery has not been effected in due time and allocate it to the Repo Transaction of the late Cash Provider ("**Allocated Repo Transaction**").

(c) Eurex Clearing AG shall be obliged to conduct a buy-in or a cash settlement pursuant to this Paragraph (a) and (b), if the Cash Taker (or the Clearing Agent acting in the name of the Cash Taker in its capacity as ISA Direct Clearing Member) requests in writing that Eurex Clearing AG shall conduct a buy-in or a cash settlement.

The Cash Taker shall be entitled to submit a buy-in request at any time after the expiry of the Settlement Cut-Off Time on the 5th Business Day following the Contractual Settlement Date of the Term Leg.

If the required Securities cannot be acquired wholly or can be acquired only partially by way of a buy-in according to Paragraph (a), Eurex Clearing AG shall perform a cash settlement according to Paragraph (b). When determining the Determination Date, Eurex Clearing AG shall allocate the Term Leg of the relevant Cash Taker, which submitted the request pursuant to this Paragraph (c).

(d) The buy-in and the cash settlement shall be conducted pursuant to the provisions under Chapter V Part 2 Number 2.2 applicable to Other Securities.

Notwithstanding Chapter V Part 2 Number 2.2.1 Paragraph (3) (b) (aa), the cash settlement amount shall be the higher of

(i) the settlement price of the respective class of securities on the Business Day preceding the Determination Date as determined by Eurex Clearing AG,

(ii) the agreed price per security under the failed Repo Transaction, and

(iii) the agreed price per security under the relevant Allocated Repo Transaction,

and in each case, plus a premium of 300 basis points, accrued interest and the applicable repo rate.

The provisions on contractual penalties pursuant to Chapter V Part 2 Number 2.2.1 (6) shall not be applicable. The contractual penalty for a failure to deliver Securities pursuant to Chapter I Part I Number 14.2.2 shall not apply. In respect of a failure to deliver CSDR Penalty In-Scope Securities the provisions on penalties set out in Chapter I Part 1 Number 1.4.4.2 (2) apply.

(e) If, under a Repo Transaction other than a GC Pooling Repo Transaction, on the Contractual Settlement Date of the Term Leg, the Cash Taker fails to transfer the owed re-purchase price prior to expiry of the Settlement Cut-Off Time, the contractual penalty pursuant to Chapter I Part 1 Number 14.2.2 shall apply.

(2) GC Pooling Transactions

(a) If, under a GC Pooling Repo Transaction, on the due date of the Term Leg

(i) the Cash Provider fails to deliver the owed Securities, or

(ii) the Cash Taker fails to transfer the owed re-purchase price,

the failing Clearing Member or ISA Direct Clearing Member shall pay, in accordance with the instructions received from Eurex Clearing AG, a contractual penalty in the amount of 0.015 per cent of the relevant unpaid due amount (in case of a failure to deliver Securities, the amount shall be determined based on the agreed purchase price of the GC Pooling Repo Transaction), but no less than EUR 1,500 and no more than EUR 15,000 per Business Day on which the failure continues.

The contractual penalty shall not apply, if such failure to deliver Securities or such failure to transfer the re-purchase price results from a Force Majeure Event, a Market Disorder Event, or if the Clearing Member or ISA Direct Clearing Member is not responsible for such failure.

In unreasonable scenarios, Eurex Clearing AG may under consideration of the interest of the relevant Clearing Member or ISA Direct Clearing Member (partly or fully) refrain from charging a contractual penalty.

The right of Eurex Clearing AG to claim further damages or default interest shall remain unaffected, provided that any amount received as a contractual penalty under this provision shall be deducted from any potential claim for damages or default interest based on the same facts. In the scope of its application, this contractual penalty takes precedence over the contractual penalty provided in Chapter I Part 1 Number 14.2.2.

2.7.3 Other Provisions

(a) The Cash Taker or Cash Provider failing to deliver or pay under Number 2.7.1 or 2.7.2 shall bear the costs arising from any measures taken by Eurex Clearing AG pursuant to such provisions.

(b) The right to claim further damages shall be excluded for the Clearing Member or ISA Direct Clearing Member which did not receive delivery or payment on the Contractual Settlement Date.

(c) If on the relevant Contractual Settlement Date or the relevant delivery day only a partial delivery of Securities occurs, the provisions under Number 2.7.1 and Number 2.7.2 above shall apply accordingly with regard to the outstanding partial deliveries. Due to different average price calculation at the Settlement Location and the system of Eurex Clearing AG concerning partial deliveries, it may occur for incomplete deliveries on the delivery day, that the Clearing Member obliged to deliver is credited an amount which, in total, exceeds the selling price. Eurex Clearing AG shall notify the Clearing Member obliged to deliver accordingly and is authorized to debit any exceeding amounts accordingly and to credit these amounts to the buyer.

2.8 Investment limits for pending Euro GC Pooling Repo Transactions after 16:00 (Frankfurt am Main time)

In case of GC Pooling Repo Transactions qualifying as Same Day Repo Transactions and which are concluded on a multilateral trading facility after 16:00 (Frankfurt am Main time), the following special provisions shall apply:

The aggregate cash amount of the affected GC Pooling Repo Transactions of a Clearing Member or ISA Direct Clearing Member, the Front Leg of which has not yet been completely fulfilled and with regard to which the respective Clearing Member or ISA Direct Clearing Member is the buyer of the Front Leg ("**Pending Cash Provider Transactions**") is not to exceed EUR 1,000,000,000 (in words: One billion) (the "**Investment Limit**"). With regard to GC Pooling Repo Transactions in currencies other than EUR, such amount shall be determined by currency conversion of the cash amount into EUR.

If the aggregate cash amount of the Pending Cash Provider Transactions of a Clearing Member or ISA Direct Clearing Member exceeds the Investment Limit at any point in time, the Clearing Member or ISA Direct Clearing Member must ensure that there are sufficient amounts in the relevant currency available on the relevant accounts in order that Pending Cash Provider Transactions can be fulfilled without undue delay – and in any event, no later than 10 minutes from the time the Investment Limit has been exceeded – thus ensuring compliance with the Investment Limit thereafter. If the Clearing Member or ISA Direct Clearing Member does not comply with such obligation, the Clearing Member or ISA Direct Clearing Member shall have to pay to Eurex Clearing AG a contractual penalty pursuant to Chapter I Part 1 Number 14.2.2 on the aggregate cash amount of all Pending Cash Provider Transactions.

2.9 Risk limitation possibilities for Clearing Agents

For the avoidance of doubt, the Clearing Agent shall subject to and in accordance with the rules of the respective multilateral trading facility be entitled to suspend the trading of the ISA Direct Clearing Member at the multilateral trading facility. In this case no new Repo Transactions may be included in the Clearing.

2.10 GC Pooling Repo Transactions relating to the GC Pooling Single Issuer Basket

(1) Eurex Clearing may offer the Clearing of GC Pooling Repo Transactions based on a GC Pooling Single Issuer Basket (as defined in the Basket Specifications for Repo Transactions of Eurex Repo GmbH (*Basketspezifikationen für Repo-Geschäfte der Eurex Repo GmbH*)) (each such transaction a "**GC Pooling Single Issuer Basket Transaction**"). Multilateral trading facilities may submit qualifying transactions with a special identifier agreed between Eurex Clearing AG and the relevant multilateral trading facility to identify them as GC Pooling Single Issuer Basket Transactions or Eurex Clearing AG and the relevant multilateral trading facility may agree in advance to handle certain transactions as GC Pooling Single Issuer Transactions.

(2) Target Settlement Times for GC Pooling Single Issuer Basket Transactions

(a) With regard to GC Pooling Single Issuer Basket Transactions settled in any Settlement Currency on a Business Day other than the trade date, the Target Settlement Time shall be 8:45 hours (Frankfurt am Main time).

With regard to GC Pooling Single Issuer Basket Transactions, which are settled in any Settlement Currency and whose trade date equals the settlement date of the Front Leg, the Target Settlement Time shall be 30 minutes after the conclusion of the GC Pooling Single Issuer Transaction.

(b) With regard to GC Pooling Single Issuer Basket Transactions settled in USD on a Business Day other than the trade date, the Target Settlement Time shall be 15:00 hours (Frankfurt am Main time).

With regard to GC Pooling Single Issuer Basket Transactions, which are settled in USD and with respect to which trade date and settlement date of the Front Leg are identical, the Target Settlement Time shall be (i) for Transactions which are concluded until 14:30 hours (Frankfurt am Main time) 15:00 hours (Frankfurt am Main time), and (ii) for Transactions which are concluded after 14:30 hours (Frankfurt am Main time), there is a fulfilment no later than 30 minutes after the conclusion of the GC Pooling Single Issuer Transaction.

(3) By way of derogation from Chapter I Part 2 Subpart A Number 4.3.2.2, a re-use of Securities which a Clearing Member or ISA Direct Clearing Member has received as collateral in relation to GC Pooling Single Issuer Basket Transactions is not possible. For the avoidance of doubt, this does not restrict ISA Direct Light License Holders pursuant to Part 3 Number 3.1 (2) from pledging securities delivered to them to Eurex Clearing AG pursuant to Part 3 Number 3.4.

2.11 Tax

(1) Deduction or withholding of Taxes

The parties to the Repo Transaction shall make all payments under the Repo Transaction without any deduction or withholding for or on account of any Tax unless such deduction or withholding is required by any applicable law.

If a party to a Repo Transaction that is required to make a payment (in such capacity, the "**Payer**") is so required to make a deduction or withholding from the payment owed by it, the Payer shall:

(a) promptly notify the obligee of the payment obligation to which such deduction or withholding relates (the "**Recipient**") of such requirement;

(b) pay or otherwise account for the full amount required to be deducted or withheld to the relevant authority;

(c) upon written demand of the Recipient, forward to the Recipient documentation reasonably acceptable to the Recipient evidencing such payment to such authority; and

(d) pay to the Recipient, in addition to what the Recipient is otherwise entitled to in respect of the Repo Transaction, such additional amount as is necessary to ensure that the amount actually received by the Recipient (after taking account of such withholding or deduction) is equal to the amount that the Recipient would have received had no such deduction or withholding been required.

For the purposes of this Chapter IV, "**Tax**" means any present or future tax, levy, impost, duty, charge, assessment or fee of any nature (including interest, penalties and additions thereto) imposed by any government or other taxing authority in respect of any transaction effected pursuant to or contemplated by, or any payment under or in respect of, the relevant Repo Transaction.

(2) Reimbursement of Eurex Clearing AG by the Clearing Member or ISA Direct Clearing Member acting as Payer

If Eurex Clearing AG is required to pay any additional amount to the Recipient in accordance with Paragraph (1) (d) (for the purposes of this Number 2.11 the "**Eurex Clearing Gross-up Amount**"), the relevant Clearing Member or ISA Direct Clearing Member which is acting as Payer in relation to Eurex Clearing AG shall pay to Eurex Clearing AG an amount equal to the Eurex Clearing Gross-up Amount. If the relevant Clearing Member or ISA Direct Clearing Member acting as Payer in relation to Eurex Clearing AG is required to make any deduction or withholding in respect of the amount so payable by it, Paragraph (1) shall apply *mutatis mutandis*.

(3) Transaction Tax

If the Clearing Member or ISA Direct Clearing Member acting as the seller (cash taker) in the Repo Transaction ("**Seller**") or Eurex Clearing AG is required to pay any

amount on account of any Transaction Tax (other than any Transaction Tax that would not be chargeable but for the Clearing Member or ISA Direct Clearing Member acting as the buyer (cash provider) in the Repo Transaction ("**Buyer**") or, as applicable, Eurex Clearing AG's failure to comply with its obligations under the Clearing Agreement) chargeable in connection with any Repo Transaction, the Seller shall notify Eurex Clearing AG, and, as applicable, Eurex Clearing AG shall notify the Buyer of such payment requirement. Upon receipt of the relevant notification, Eurex Clearing AG shall pay to the Seller or, as applicable, the Buyer shall pay to Eurex Clearing AG an amount equal to such amount payable by the Seller or Eurex Clearing AG, as the case may be. If Eurex Clearing receives any such notification from the Seller, it shall forward such notification to the Buyer and the Buyer shall, upon receipt of such notification, pay to Eurex Clearing an amount equal to the amount payable by Eurex Clearing to the Seller in accordance with the preceding sentence.

For the purposes of this Chapter IV, "**Transaction Tax**" means any transaction, stamp, transfer, registration, documentation or similar Tax.

(4) Sales Tax

All amounts payable by any party to a Repo Transaction to the other party of such Repo Transaction are exclusive of any Sales Tax chargeable on any supply to which such sums relate and an amount equal to such Sales Tax shall in each case be paid by the party making such payment on receipt of an appropriate Sales Tax invoice.

For the purposes of this Chapter IV, "**Sales Tax**" means value added tax and any other Tax of a similar nature.

(5) Retrospective changes in law

Unless otherwise agreed between the parties to the relevant Repo Transaction, amounts payable by one party to another in relation to a Repo Transaction shall be determined by reference to applicable law as at the date of the relevant payment and no adjustment shall be made to amounts paid and no party shall have any claims or rights against any other party, as a result of:

(a) any retrospective change in applicable law which is announced or enacted after the date of the relevant payment; or

(b) any decision of a court of competent jurisdiction which is made after the date of the relevant payment (other than where such decision results from an action taken with respect to the Repo Transaction or amounts paid or payable under the Repo Transaction).

(6) Before the Clearing Member can begin with the Clearing of Repo Transactions with underlying debt securities of the Republic of Italy, the Clearing Member is obliged to provide a tax information identifier ("**TIN**") to Eurex Clearing AG. If the TIN changes due to whatever reason, the Clearing Member shall inform Eurex Clearing AG

without undue delay about any changes of the TIN and shall provide the new TIN to Eurex Clearing AG.

2.12 Termination of GC Pooling Repo Transactions denominated in USD

(1) If a Clearing Member does not comply with an applicable GC Pooling USD Cash Margin Contribution requirement, Eurex Clearing AG may in its reasonable discretion (*billiges Ermessen*) by giving notice to the Clearing Member terminate and settle in cash one or more GC Pooling Repo Transactions (denominated in USD) the Clearing Member has entered into after it has received the GC Pooling USD Cash Margin Contribution notice.

(2) In order to hedge the effects of the GC Pooling Repo Transactions terminated under application of Paragraph (1), Eurex Clearing AG may in its reasonable discretion (*billiges Ermessen*) enter into transactions that are – taken as a whole – equivalent to the terminated transactions by entering into independent trades or by holding one or more auctions. The Clearing Member that has not complied with an applicable GC Pooling USD Cash Margin Contribution requirement shall bear the costs of such replacement transactions, unless it is not responsible for its non-compliance.

2.13 Extraordinary Events

(1) In case of extraordinary events as specified in Paragraph (2) below, Eurex Clearing AG shall, without any obligation to do so and in addition to other rights Eurex Clearing may have, be entitled to

(i) temporarily adjust timelines relevant for the Clearing of Repo Transactions, in whole or in part, including, but not limited to, cut-off times,

(ii) temporarily suspend the acceptance of Repo Transactions for inclusion in the Clearing, in whole or in part, and/or suspend other functions of the Clearing of Repo Transactions, in whole or in part, and/or

(iii) cancel any Repo Transactions the Front Leg of which has not been settled, yet.

(2) Extraordinary events pursuant to Paragraph (1) shall comprise the occurrence of circumstances that are beyond Eurex Clearing AG's reasonable control and that have a material adverse impact on the orderly clearing of Repo Transactions at Eurex Clearing AG, in particular but not limited to the risk management and/or the fulfilment of any obligations under any affected transactions or technical availability of the system of Eurex Clearing AG. Such circumstances may result from, without limitation, natural disaster, riots, insurrection, embargos, fire, flood, explosion, war, terrorism, pandemics, sanctions, cyberattacks, unavailability of settlement platforms, actions of a government of any nation, state or territory or any governmental entity, agency or authority, actions of the EU or any international organizations, or any institution or agency or any other event.

(3) Any decision by Eurex Clearing AG to exercise any of the rights pursuant to Paragraph (1), shall be based on risk considerations, taken with a view to maintain or

reinstate an orderly clearing and shall be non-discriminatory. Before taking any action pursuant to Paragraph (1), Eurex Clearing AG shall

(i) if reasonable in the circumstances considering the nature of the relevant circumstances, consult with the relevant Clearing Member(s) to find a mutual solution with respect to the relevant circumstances, and

(ii) use best efforts to exercise its rights under Paragraph (1) in a way which is proportionate (*verhältnismäßig*) taking into account the interests of the relevant Clearing Member(s). Where alternative measures are available to Eurex Clearing AG that appear equally effective and that have a foreseeable lesser negative impact on Clearing Members, Eurex Clearing AG shall apply those alternative measures instead.

Prior to exercising these rights, Eurex Clearing AG shall attempt to consult and align with Eurex Repo GmbH on any measures that Eurex Repo GmbH may take (if any) to address the extraordinary events and the effects the exercise of the rights by Eurex Clearing AG may have for the trading of the affected Repo Transactions at Eurex Repo GmbH.

(4) Eurex Clearing AG shall notify the affected parties of any measure taken as soon as reasonably practicable. Clearing Members, Clearing Agents and ISA Direct Clearing Members are obliged to procure that they are prepared to handle clearing-related business during any such period for which an adjustment of a timeline relevant for the Clearing of Repo Transactions according to Paragraph 1 (i) has been notified to them.

(5) Where Eurex Repo GmbH makes any determinations with respect to any Repo Transactions in particular on the basis of any provisions in the Terms and Conditions for Participation and Trading on Eurex Repo GmbH and/or the Basket Specifications for Repo-Transactions of Eurex Repo GmbH relating to disrupted market conditions or any other disruption in orderly trading, Eurex Clearing AG shall, save in case of obvious errors, be entitled to rely on such determinations and apply them in the Clearing of the respective Repo Transactions without any liability for any of the effects such determinations may have on the Repo Transactions.

Part 3 Special Conditions regarding the Clearing of GC Pooling Repo Transactions with ISA Direct Light License Holders and corresponding GC Pooling Repo Transactions with Clearing Members

With regard to the Clearing of GC Pooling Repo Transactions involving ISA Direct Light License Holders and corresponding GC Pooling Repo Transactions with Clearing Members, the provisions of Parts 1 and 2 shall apply unless hereinafter otherwise provided for. If, in this Part 3, reference is made to GC Pooling Repo Transactions or to Original GC Pooling Repo Transactions, such reference is always to be interpreted as a reference to GC Pooling Repo Transactions involving ISA Direct Light License Holders.

3.1 ISA Direct Light License

(1) Eurex Clearing AG offers an ISA Direct Light License in accordance with this Number 3.1 ("**ISA Direct Light License**"). Eurex Clearing AG will grant the ISA Direct Light License upon written application.

(2) The ISA Direct Light License entitles the holder of such License (the "**ISA Direct Light License Holder**") to clear Own Transactions

(i) as the buyer within the purchase agreement and the seller within the re-purchase agreement ("**Cash Provider**") and,

(ii) to the extent that the Cash Taker Transaction Novation Criteria pursuant to Number 3.2.2 Paragraph (6) are complied with in each case, as the seller within the purchase agreement and the buyer within the re-purchase agreement ("**Cash Taker**").

Related GC Pooling Repo Transactions are included in the Clearing by way of novation subject to and pursuant to Number 3.2.

(3) Eurex Clearing AG will enter into a Clearing Agreement with the ISA Direct Light License in the form appended hereto as Appendix 5.

(4) Unless otherwise provided for and subject to further exemptions set out in this Number 3.1, references in these Clearing Conditions to "**Clearing Member**" shall – if an ISA Direct Light License has been granted – include the ISA Direct Light License Holder.

(5) The prerequisites to be fulfilled for the granting of the ISA Direct Light License (and which shall be complied with as long as the relevant ISA Direct Light License is held) are the following:

a) The applicant is a company;

b) the applicant has obtained any approvals required for the conduct of GC Pooling Repo Transactions;

c) if the ISA Direct Light License is granted that includes the Clearing of GC Pooling Repo Transactions which qualify as Eurex Repo Transactions: admission for participation in trading in the Select Invest Segment on Eurex Repo GmbH, whereas such admission may be granted to the applicant or to a trading participant entering into Eurex Repo Transactions on account of the applicant;

d) if the applicant is a non-financial counterparty as defined in Art. 3 (4) Regulation (EU) 2015/2365 on transparency of securities financing transactions ("**SFTR**") (or any successor or replacement regulation thereto), the applicant's balance sheet dates shall exceed the limits of at least two of the three criteria laid down in Art. 3 (3) of Directive 2013/34/EU on the annual financial statements (or any successor or replacement regulation thereto);

e) the applicant has access to Eurex Clearing AG's Common Report Engine;

f) the applicant has provided evidence of a participation authorization (including, where relevant, of the entering into the related documentation) regarding CmaX or any other TPCM as Eurex Clearing AG may from time to time reasonably require, subject to Number 3.10 below.

When taking the decision to require the ISA Direct Light License Holder to participate in another TPCM, Eurex Clearing AG shall take into account the interests of Eurex Clearing AG under the Clearing Conditions, developments in the market infrastructure and the collateral management offering as well as the interests of the Clearing Members and ISA Direct Light License Holders, and, in respect of any such requirement affecting an entity already holding an ISA Direct Light License.

Evidence of participation in a TPCM can be provided (i) either via own participation in CmaX or relevant other TPCM or (ii) via a respective agreement with another settlement institution which is authorized to participate in CmaX or the relevant other TPCM.

g) the applicant has, at its availability,

(i) a dedicated cash account of the applicant, or of another party for the account of the applicant, with Clearstream Banking S.A. for the settlement of GC Pooling Repo Transactions; or

(ii) a dedicated cash account of the applicant, or of another party for the account of the applicant, with a relevant other TPCM for the settlement of GC Pooling Repo Transactions;

h) the applicant has securities settlement accounts pursuant to Chapter I Part 1 Number 2.1.2 Paragraph (4) (a) (ee) or makes use of securities accounts held

by a Third-Party Account Holder. Chapter 1 Part 1 Number 3.6 applies *mutatis mutandis*. Unless explicitly waived by Eurex Clearing AG with respect to the relevant Third-Party Account Holder, an ISA Direct Light License Holder may only use any securities accounts of the Third-Party Account Holder, if such Third-Party Account Holder has entered with the ISA Direct Light License Holder and Eurex Clearing AG into a pledge agreement in the form as may be required by Eurex Clearing AG.

i) the applicant has provided evidence of the applicant having granted an appropriate power of attorney and authorization to Clearstream Europe AG, Clearstream Banking S.A. or relevant other TPCM for all declarations, actions, deliveries and payments in connection with the fulfilment of the delivery and payment obligations pursuant to this Part 3, in particular with regard to the notification of the statements of account regarding the cash account pursuant to Item (g), such evidence having to be provided by Clearstream Europe AG, Clearstream Banking S.A. or relevant other TPCM in the name of the ISA Direct Light License Holder.

j) to the extent Eurex Clearing AG raises fees for the Clearing of GC Pooling Repo Transactions, the applicant undertakes to allow Eurex Clearing AG to collect the fees from an account to be specified by the applicant.

k) Eurex Clearing AG may require the applicant to submit a legal opinion by a leading legal counsel recognized by Eurex Clearing AG, such legal opinion having been produced at the cost of the applicant and providing proof for the legal effectiveness and enforceability of the Clearing Conditions within the relevant legal system in accordance with the requirements set by Eurex Clearing AG for each individual case.

l) The granting of an ISA Direct Light License requires that Eurex Clearing AG has obtained all licenses and approvals that are required for the provision of Clearing towards the applicant in the relevant jurisdiction.

The prerequisites for a Clearing License pursuant to Chapter IV Part 1 Number 1.1.2 do not apply.

(6) The following provisions are not applicable to ISA Direct Light License Holders:

a) Chapter I Part 1 Number 2.1.4. Furthermore, all GC Pooling Repo Transactions of the ISA Direct Light License Holder shall not be subject to a separate master agreement (*Rahmenvertrag*) and shall be treated legally independent from one another;

b) Chapter I Part 2 Subparts C and D, Part 3, 4, 5 and 6;

c) the Termination provisions and consequences pursuant to Chapter I Part 1 Number 7 and Chapter I Part 2 Subpart A Number 6, as well as a close-out with respect to Eurex Clearing AG pursuant to Chapter I Part 1 Number 9;

d) the obligation to have available own funds in accordance with Chapter I Part 1 Number 2.1.2 Paragraph (3);

e) the Margin Requirement pursuant to Chapter IV Part 1 Number 1.2 together with Chapter I Part 1 Number 3 and Chapter I Part 2 Subpart A Number 4, Subpart B Number 5;

f) the Default Fund contribution requirement pursuant to Chapter I Part 1 Number 6;

g) the requirement to use a qualified clearing staff member in accordance with Chapter I Part 1 Number 2.1.2 Paragraph (5) (c).

3.2 Conclusion of Transactions by way of Novation

GC Pooling Repo Transactions of Eurex Clearing AG concluded with the ISA Direct Light License as well as corresponding GC Pooling Repo Transactions of Eurex Clearing AG with the relevant Clearing Member, are each concluded by way of novation subject to, and in accordance with, the following provisions.

3.2.1 Novation

(1) Whenever the relevant ISA Direct Light License Holder, or, as the case may be, a trading participant admitted at the System of Eurex Repo GmbH for trading on account of the ISA Direct License Holder, and the Clearing Member or, as the case may be, the relevant DC Market Participant or Indirect Client Market Participant (acting on behalf of the Clearing Member in accordance with Chapter I Part 1 Number 1.1.8 of the General Clearing Provisions and in case of an Indirect Client Market Participant applied *mutatis mutandis* pursuant to Chapter I Part 1 Number 1.1.13 of the General Clearing Provisions) transmits via a multilateral trading facility a GC Pooling Repo Transaction to Eurex Clearing AG ("**Original GC Pooling Repo Transaction**") and whenever Eurex Clearing AG accepts such Original GC Pooling Repo Transaction pursuant to this Number 3.2 for inclusion in the Clearing, Eurex Clearing AG will interpose itself by way of novation as central counterparty and the Original GC Pooling Repo Transaction shall be cancelled and replaced by two related GC Pooling Repo Transactions

a) between Eurex Clearing AG and the relevant ISA Direct Light License Holder and

b) between Eurex Clearing AG and the relevant Clearing Member.

Unless expressly set out otherwise herein, the parties to the Original GC Pooling Repo Transaction shall be released from their obligations to each other under such Original GC Pooling Repo Transaction on the Novation Time as defined in Paragraph (2).

The GC Pooling Repo Transactions resulting from the novation shall not be subject to the valid existence of the Original GC Pooling Repo Transactions (abstract novation).

Chapter I Part 1 Number 1.2.2 Paragraph (6) applies mutatis mutandis.

(2) Following the conclusion of GC Pooling Repo Transactions by way of novation pursuant to Paragraph (1), Eurex Clearing AG will on the same Business Day send corresponding confirmations to the ISA Direct Light License Holders and the Clearing Members and the DC Market Participant or Indirect Client Market Participant, if any. The actual time of conclusion of a GC Pooling Repo Transaction by way of novation is referred to in this Chapter IV as the "**Novation Time**".

3.2.2 Novation Principles and Criteria

(1) Original GC Pooling Repo Transactions have to be transmitted to Eurex Clearing AG in a standardized form via an approved multilateral trading facility.

Eurex Clearing AG makes no representation, whether expressed or implied, as to the complete and timely performance of the duties and obligations of the respective multilateral trading facility vis-à-vis the ISA Direct Light License Holders and the Clearing Members.

Eurex Clearing AG assumes no liability to the ISA Direct Light License Holders or the Clearing Members for any act or failure to act by the respective multilateral trading facility vis-à-vis the ISA Direct Light License Holders or the Clearing Members in connection with any information or notices received by Eurex Clearing AG or given to the ISA Direct Light License Holders or the Clearing Members via the respective multilateral trading facility, as the case may be.

(2) Eurex Clearing AG shall validate any information regarding the Original GC Pooling Repo Transactions transmitted to it via a multilateral trading facility one Business Day before, on or after the Start Date of the respective Repo Transactions.

(3) In case of an Original GC Pooling Repo Transaction under which the ISA Direct Light License Holder acts as Cash Provider ("**Cash Provider Transaction**"), the inclusion of such Original GC Pooling Repo Transaction in the Clearing and the establishment of GC Pooling Repo Transactions pursuant to Number 3.2.1 (1) above is subject to the following conditions:

a) The ISA Direct Light License Holder has paid in advance the purchase price owed under the Front Leg of the Original GC Pooling Repo Transaction into the relevant cash account maintained with Clearstream Banking S.A. or the relevant other TPCM and Clearstream Banking S.A. or the relevant other TPCM has confirmed to Eurex Clearing AG the receipt of such payment.

b) Notwithstanding Paragraph (3) (a), the novation of a Cash Provider Transaction may occur on the Business Day prior to its Contractual Settlement Date, provided that (i) the sum of the expected cash amounts from all maturing Term Legs of the relevant ISA Direct Light License Holder on the Contractual Settlement Date is equal to or higher than the purchase price of the Front Leg of the new Cash Provider Transaction, and (ii) Eurex Clearing AG has validated that this condition is met.

If the condition in Paragraph (3) (b) (i) is not met, the Cash Provider Transaction shall be processed in accordance with Paragraph (3) (a) on the Contractual Settlement Date.

(4) If receipt of payment pursuant to Paragraph (3) (a) is confirmed until a certain point in time with regard to a Business Day as specified by Eurex Clearing AG ("**Novation Cut-Off Time**"), novation shall take place on the same Business Day provided that Eurex Clearing AG does not refuse the inclusion of the Original GC Pooling Repo Transaction in the Clearing for other reasons.

(5) If receipt of payment pursuant to Paragraph (3) (a) is not confirmed until the Novation Cut-Off Time, novation shall not take place and Clearstream Europe AG, Clearstream Banking S.A. or the relevant other TPCM will return the payment received to the ISA Direct Light License Holder.

(6) In case of an Original GC Pooling Repo Transaction under which the ISA Direct Light License Holder acts as Cash Taker ("**Cash Taker Transaction**"), the inclusion of such Original GC Pooling Repo Transaction in the Clearing and the establishment of GC Pooling Repo Transactions pursuant to Number 3.2.1 Paragraph (1) above is subject to the fulfilment of the Cash Taker Transaction Novation Criteria.

The "**Cash Taker Transaction Novation Criteria**" shall be fulfilled upon the determination by Eurex AG that

a) the day which had been agreed on for fulfilment of the Term Leg (the "**End Date**") of the relevant Cash Taker Transaction corresponds to the End Date of a Cash Provider Transaction of the relevant ISA Direct Light License Holder, such Cash Provider Transaction having already been included in the Clearing,

b) the Nominal Size of the relevant Cash Taker Transaction does not exceed the relevant Maximum Cash Taker Nominal Size and

c) the Settlement Amount of the relevant Cash Taker Transaction does not exceed the relevant Maximum Cash Taker Settlement Amount.

In this regard, the following shall apply:

"**Maximum Cash Taker Nominal Size**" specifies the – in view of an inclusion in the Clearing – maximum permissible Nominal Size of a Cash Taker Transaction, such amount being determined by Eurex Clearing AG in each individual case as:

a) the sum of the Nominal Sizes of all Cash Provider Transactions – such Cash Provider Transactions having already been included in the Clearing – of the relevant ISA Direct Light License Holder with the same End Date as the relevant Cash Taker Transaction, minus

b) the sum of the Nominal Sizes of all Cash Taker Transactions – such Cash Taker Transactions having already been included in the Clearing – of the relevant ISA Direct Light License Holder with the same End Date as the relevant Cash Taker Transaction.

"**Maximum Cash Taker Settlement Amount**" specifies the – in view of an inclusion in the Clearing – maximum permissible Settlement Amount of a Cash Taker Transaction, such amount being determined by Eurex Clearing AG in each individual case as:

a) the sum of the Settlement Amounts of all Cash Provider Transactions – such Cash Provider Transactions having already been included in the Clearing – of the relevant ISA Direct Light License Holder with the same End Date as the relevant Cash Taker Transaction, minus

b) the sum of the Settlement Amounts of all Cash Taker Transactions – such Cash Taker Transactions having already been included in the Clearing – of the relevant ISA Direct Light License Holder with the same End Date as the relevant Cash Taker Transaction.

"**Settlement Amount**", in relation to a GC Pooling Repo Transaction, means an amount equal to the re-purchase price plus (to the extent not already comprised therein) the outstanding Repo Interest with respect to relevant GC Pooling Repo Transaction.

If Eurex Clearing AG determines that the Cash Taker Transaction Novation Criteria have been satisfied on a Business Day until the point in time specified by Eurex Clearing AG, novation in the relevant Cash Taker Transaction shall be carried out on such Business Day provided that Eurex Clearing AG does not refuse inclusion in the Clearing for other reasons.

If Eurex Clearing AG determines that the Cash Taker Transaction Novation Criteria have not or not in due time been complied with on a Business Day until the point in time specified by Eurex Clearing AG, novation in the relevant Cash Taker Transaction shall not be carried out. Eurex Clearing AG will notify the respective multilateral trading facility accordingly by electronic means.

(7) Eurex Clearing AG may reject the inclusion of Original GC Pooling Repo Transactions in the Clearing – even though the requirements of the Paragraphs (3) to (6) respectively have been complied with particularly if:

a) the Original GC Pooling Repo Transaction does not comply with the requirements of the contractual framework of the respective multilateral trading

facility (including, if the transaction is entered via Eurex Repo GmbH, the GTCs of Eurex Repo GmbH);

b) counterparties to the novated Original GC Pooling Repo Transaction (other than Eurex Clearing AG) are not an ISA Direct Light License Holder (or a trading participant admitted at the System of Eurex Repo GmbH for trading on account of the ISA Direct Light License Holder) and a Clearing Member of Eurex Clearing AG; in case of DC-Related Transactions of a Clearing Member, the novated GC Pooling Repo Transaction relates to a DC Market Participant of the relevant Clearing Member;

c) the Clearing License of the relevant Clearing Member and/or the ISA Direct Light License of the relevant ISA Direct Light License Holder are suspended or restricted;

d) any of the following occurs:

e) in case of a Cash Provider Transaction, Eurex Clearing AG checked whether a payment pursuant to Number 3.2.2 (3) has been made but the Exposure Adjustment Request could not be instructed to CmaX or any other TPCM for particularly technical reasons.

(i) a Termination Date has occurred with respect to the relevant Clearing Member,

(ii) circumstances have arisen with respect to the ISA Direct Light License Holder constituting a Termination Event pursuant to Chapter I Part 1 Number 7.2.1 Paragraph (2) to Paragraph (4) or Paragraph (6) to Paragraph (11),

(iii) a termination or automatic termination has occurred with respect to the relevant ISA Direct Light License Holder pursuant to Number 3.5.1 or Number 3.5.2, or

(iv) an Insolvency Termination Event has occurred with respect to the relevant ISA Direct Light License Holder pursuant to Number 3.5.4;

(8) Original GC Pooling Repo Transactions shall be novated with the content relevant in accordance with the contractual framework of the respective multilateral trading facility and on the basis of the information which Eurex Clearing AG has received via the respective multilateral trading facility from the relevant ISA Direct Light License Holder (or a trading participant admitted at the System of Eurex Repo GmbH for trading on account of the ISA Direct Light License Holder) and the Clearing Member or the relevant DC Market Participant or Indirect Client Market Participants (acting on behalf of the Clearing Member in accordance with Number 1.1.9 (in case of an Indirect Client Market Participant applied *mutatis mutandis* pursuant to Number 1.1.13) of the General Clearing Provisions), if any.

3.3 Fulfilment of Obligations regarding Delivery and Payment

(1) With respect to the delivery and payment under GC Pooling Repo Transactions involving ISA Direct Light License Holders, the provisions under Part 2 Number 2.2 (2) (d) shall apply accordingly provided that

(i) the payment of the purchase price shall be settled via the cash account pursuant to Number 3.1 (5) (g) maintained with Clearstream Banking S.A. or the relevant other TPCM and

(ii) the delivery of the securities shall be settled via the securities settlement account pursuant to Number 3.1 (5) (h) maintained with Clearstream Banking S.A. or the relevant other TPCM.

(2) The ISA Direct Light License Holder is obliged to

(i) instruct Clearstream Europe AG, Clearstream Banking S.A. or the relevant other TPCM to honor any debit instructions (*Lastschriften*) from its cash account pursuant to Number 3.1 (5) (g) (including any debit instructions with respect to any fees raised by Eurex Clearing AG) and to

(ii) authorize Eurex Clearing AG, by providing the appropriate power of attorney, to give, release and transmit all delivery instructions in its name vis-à-vis Clearstream Europe AG, Clearstream Banking S.A. or the relevant other TPCM and to supplement, change or cancel delivery instructions necessary for the timely and correct delivery or payment.

(3) The powers of attorney and debit instructions provided pursuant to this Number 3.3 may not be revoked by the ISA Direct Light License Holder until its Clearing License has been terminated. Any such revocation shall result in the immediate termination of the Clearing License.

3.4 Pledges regarding the Securities delivered to the ISA Direct Light License Holder

3.4.1 Clearstream Europe AG as Settlement Location

If the ISA Direct Light License Holder uses a securities account with Clearstream Europe AG for the settlement of GC Pooling Repo Transactions ("**CEU Settlement Account**"), regardless of whether this account is held by the ISA Direct Light License Holder or a Third-Party Account Holder,

the ISA Direct Light License Holder shall

(i) pursuant to and in accordance with a pledge agreement substantially in a form provided by Eurex Clearing AG, pledge to Eurex Clearing AG all Securities which are at present or will in the future be deposited in such securities account; and

(ii) issue all relevant notices and take all relevant measures necessary or expedient for such pledge to become effective.

3.4.2 Clearstream Banking S.A. as Settlement Location

If the ISA Direct Light License Holder uses a securities account with Clearstream Banking S.A. for the settlement of GC Pooling Repo Transactions ("**CBL Settlement Account**"), regardless of whether this account is held by the ISA Direct Light License Holder or a Third-Party Account Holder,

the ISA Direct Light License Holder shall:

(i) pursuant to and in accordance with a pledge agreement substantially in a form provided by Eurex Clearing AG, pledge to Eurex Clearing AG all Securities which are at present or will in the future be deposited in such securities account; and

(ii) to issue all relevant notices to and take all relevant measures necessary or expedient for the perfection of such pledge.

3.4.3 Release of pledged Securities

For the avoidance of doubt, the release of Securities booked into the relevant CEU Settlement Account or CBL Settlement Account pledged in favor of Eurex Clearing AG is performed by CmaX or the other TPCM. After each Settlement Date Exposure Netting pursuant to Number 2.6, Eurex Clearing AG submits the required Exposure Adjustment Requests to CmaX or the relevant other TPCM to adjust the relevant exposures and to initiate the required Securities transfer. After receipt of the Exposure Adjustment Requests, CmaX or the relevant other TPCM adjusts the relevant exposures and selects the relevant Securities forming part of the relevant Securities Basket to be transferred.

3.5 Termination of GC Pooling Repo Transactions

GC Pooling Repo Transactions established between Eurex Clearing AG and an ISA Direct Light License Holder shall be terminated with the legal consequences pursuant to Number 3.5.3, if

(i) Eurex Clearing AG exercises its termination right pursuant to Number 3.5.1 or

(ii) if an automatic termination occurs pursuant to Number 3.5.2.

In case of the occurrence of an Insolvency Termination Event with respect to the ISA Direct Light License Holder, the provisions under Number 3.5.4 shall apply.

3.5.1 Termination right

(1) Eurex Clearing AG shall be entitled to terminate by notice single or all GC Pooling Repo Transactions established between Eurex Clearing AG and ISA Direct Light License Holders before the obligations under the **Term Leg** of the relevant GC Pooling Repo Transaction(s) become due and payable provided that circumstances arise with respect to the ISA Direct Light License Holder which constitute a Termination Event pursuant to Chapter I Part 1 Number 7.2.1 Paragraph (2) to Paragraph (4) or Paragraph (6) to Paragraph (11).

(2) Whenever Eurex Clearing AG is entitled to exercise its termination right pursuant to Paragraph (1), Eurex Clearing AG may

(i) terminate by notice without prior warning single or all GC Pooling Repo Transactions or

(ii) notify the relevant ISA Direct Light License Holder of the existence of such reason to terminate by notice and grant a grace period, which may be extended, to remedy the relevant reason for a termination by notice. Eurex Clearing AG shall be entitled to terminate by notice single or all GC Pooling Repo Transactions, if the reason for a termination is not completely remedied by the ISA Direct Light License Holder within the grace period.

(3) The right of Eurex Clearing AG to terminate GC Pooling Repo Transactions with an ISA Direct Light License Holder in accordance with Number 3.10 shall remain unaffected.

3.5.2 Automatic termination

If, at any time, circumstances arise with respect to the ISA Direct Light License Holder, which constitute a Termination Event pursuant to Chapter I Part 1 Number 7.2.1 Paragraph (5), an automatic termination of all GC Pooling Repo Transactions concluded between Eurex Clearing AG and such ISA Direct Light License Holder shall occur with immediate effect and without further notice as of the occurrence of such circumstances. The legal consequences of the automatic termination shall be determined in accordance with Number 3.5.3.

3.5.3 Legal consequences of a Termination

(1) Acceleration of Term Leg

If single or all GC Pooling Repo Transactions between Eurex Clearing AG and the ISA Direct Light License Holder are terminated pursuant to Number 3.5.1 or Number 3.5.2, the following shall occur:

(i) the Term Leg of the terminated GC Pooling Repo Transaction shall be accelerated to the Business Day on which the termination by notice becomes effective or the automatic termination of GC Pooling Repo Transactions occurs, and

(ii) the obligations of the ISA Direct Light License Holder and of Eurex Clearing AG under the Term Leg of the relevant GC Pooling Repo Transaction shall become immediately due upon such termination by notice or automatic termination.

(2) Claim for damages

The ISA Direct Light License Holder must indemnify Eurex Clearing AG against any and all damages resulting from the accelerated payment date of the Term Leg and release Eurex Clearing AG from any and all damages claims by third parties, in

particular by Clearing Members with which Eurex Clearing AG has concluded corresponding GC Pooling Repo Transactions.

3.5.4 Occurrence of an Insolvency Termination Event with respect to the ISA Direct Light License Holder

(1) As of the occurrence of an Insolvency Termination Event pursuant to Chapter I Part 1 No 7.2.2 with respect to the ISA Direct Light License Holder, all current and future primary obligations (including payment and delivery obligations) arising from any GC Pooling Repo Transaction between Eurex Clearing AG and the relevant ISA Direct Light License Holder, which have not been terminated by notice pursuant to Number 3.5.1 or automatically terminated pursuant to Number 3.5.2, shall expire (*auflösende Bedingung*) upon occurrence of the Insolvency Termination Event and shall no longer be required to be performed by the relevant debtor. The expiration of claims affects all claims arising from the relevant GC Pooling Repo Transaction independently of the time they came into existence or would have come into existence otherwise.

(2) Any damages claimed by Eurex Clearing AG or the affected ISA Direct Light License Holder in relation to individual GC Pooling Repo Transactions shall become unconditional and immediately due in EUR from one party to the respective Transaction's other party and shall each be determined pursuant to the valuation mechanisms for Transactions set out in Chapter I Part 1 Number 7.3.2 (applied *mutatis mutandis*).

(3) Eurex Clearing AG shall notify the value of the damages claim determined by it according to Paragraph (2) to the affected ISA Direct Light License Holder as soon as reasonably practicable after its determination, together with reasonable detail regarding the data and information forming the basis of the determination.

(4) The debtor of the damages claims pursuant to Paragraph (2) must pay the amount determined to the other party as soon as reasonably practicable following the notification by Eurex Clearing AG of the payable amount pursuant to Paragraph (3). The debtor of the damages claims shall not be obliged to pay any interest on the amount of the damages claims unless it is in default (*Verzug*) following the receipt of a payment reminder (*Mahnung*) by the other party. Default interest shall be paid on the basis of the effective overnight interest rate for EUR.

3.5.5 Information obligations

(1) The ISA Direct Light License Holder shall notify Eurex Clearing AG without undue delay about

(i) any circumstances entitling Eurex Clearing AG to exercise the termination right pursuant to Number 3.5.1,

(ii) any circumstances constituting an automatic termination pursuant to Number 3.5.2, and

any circumstances constituting an Insolvency Termination Event with respect to the ISA Direct Light License Holder pursuant to Number 3.5.4.

To the extent the ISA Direct Light License Holder, with regard to such circumstances or events, is subject to a statutory obligation to publish, in particular an obligation to publish ad hoc notifications pursuant to Regulation (EU) No 596/2014, the notification pursuant to this Paragraph (1) must be made without undue delay after the relevant statutory publication obligation has been met.

(2) If the ISA Direct Light License Holder does not comply with its information obligations under Paragraph (1) at all or in due time, the following shall apply:

a) The ISA Direct Light License Holder shall indemnify Eurex Clearing AG against any damages resulting thereof and release Eurex Clearing AG from any and all claims for damages by third parties, in particular by Clearing Members with which Eurex Clearing AG has concluded corresponding GC Pooling Repo Transactions.

b) Any claims for damages the ISA Direct Light License Holder may have vis-á-vis Eurex Clearing AG due to fulfilment of the Term Leg of the relevant GC Pooling Repo Transaction occurring after the point in time determined pursuant to Number 3.5.3 shall be excluded.

(3) The ISA Direct Light License Holder shall check without undue delay all reports and other communications from Eurex Clearing AG received via the respective multilateral trading facility (if any). The ISA Direct Light License Holder shall inform Eurex Clearing AG without undue delay of any errors or omissions that become apparent from such checks.

3.6 Failure to deliver or pay on the Contractual Settlement Date of the Term Leg

(1) In the event that the ISA Direct Light License Holder fails to deliver the underlying securities on the Contractual Settlement Date of the Term Leg of the Cash Provider Transaction and pursuant to the instructions of Eurex Clearing AG, Eurex Clearing AG shall be entitled to enforce its pledges (including by way of appropriation) in accordance with the provisions of the relevant pledge agreement entered into in accordance with Number 3.4.

(2) The rights of Eurex Clearing AG pursuant to Part 2 Number 2.7.2 shall remain unaffected.

3.7 Limitation and Suspension of Clearing

Upon the occurrence of a Termination Event pursuant to Number 3.5.1, a Termination Event pursuant to Number 3.5.2 or an Insolvency Termination Event pursuant to Number 3.5.4 with respect to the ISA Direct Light License Holder, Eurex Clearing AG may suspend or restrict the Clearing of GC Pooling Repo Transactions with the affected ISA Direct Light License Holder; in particular, Eurex Clearing AG may one or more times suspend or restrict the novation of new GC Pooling Repo Transactions pursuant to

Number 3.2 between Eurex Clearing AG and such ISA Direct Light License Holder. Eurex Clearing AG shall notify the respective multilateral trading facility and the ISA Direct Light License Holder of the decision to suspend or restrict the Clearing. Eurex Clearing AG shall specify, in the notification, a reasonable period of time during which such suspension or restriction shall apply.

3.8 Set Off

(1) Eurex Clearing AG may at any time set off any due or undue claims and obligations under Cash Taker Transactions and Cash Provider Transactions, provided any other applicable prerequisites for a set-off are satisfied.

(2) Upon the acceleration of a Cash Provider Transaction pursuant to Number 3.5.3 above, Eurex Clearing AG shall be entitled set off (I) any due or undue claims Eurex Clearing AG may have against the ISA Direct Light Licence Holder with respect to any Replacement Costs against (II) the claim of the ISA Direct Light Licence Holder for re-payment of the notional amount agreed under the Front-Leg of such Cash Provider Transaction ("**Relevant Repurchase Price**").

(i) "**Replacement Costs**" shall mean any damage resulting from the acceleration of the Term Leg of the relevant Cash Provider Transaction, in particular any loss incurred by Eurex Clearing AG with respect to the entering into any replacement transaction due to the termination of a Cash Provider Transaction.

(ii) Eurex Clearing AG shall also be entitled to set off claims with respect to any Replacement Costs, which come to existence in the future. In case of any repayment of the Relevant Repurchase Price by Eurex Clearing AG, Eurex Clearing AG will deduct an estimated Replacement Costs based on the costs for a hypothetic replacement transaction on the date of the acceleration of the Term Leg of the relevant Cash Provider Transaction including a ten per cent add-on to address potential market volatility between such point in time and the time when the actual replacement transaction is entered into by Eurex Clearing ("**Estimated Replacement Costs**").

(iii) Upon the actual establishment of such replacement transaction, Eurex Clearing AG will provide a final calculation of the actually occurred Replacement Loss ("**Actual Replacement Costs**").

If the Estimated Replacement Costs exceed the Actual Replacement Costs, Eurex Clearing AG transfers any remainders of the Estimated Replacement Costs to the ISA Direct Light License Holder.

If the Actual Replacement Costs exceed the Estimated Replacement Costs, the ISA Direct Light License Holders shall the remaining difference to Eurex Clearing AG.

(iv) If due to the entering into a replacement transaction by Eurex Clearing AG, Eurex Clearing AG generates any profits or gains, Eurex Clearing AG will transfer such profits or gains to the ISA Direct Light License Holder.

(3) The ISA Direct Light License Holder may set off any claims and obligations under Cash Taker Transactions with or against claims and obligations under Cash Provider Transactions where the claims and obligations result from a termination of the Cash Taker Transactions and Cash Provider Transactions. The right of the ISA Direct Light License Holder to set off claims which are undisputed or have been determined as legally binding remains unaffected.

3.9 Settlement Date Exposure Netting

The provisions under Part 2 Number 2.6 shall apply accordingly to an ISA Direct Light License Holder.

3.10 Termination of a Clearing Agreement with an ISA Direct Light License Holder

Each party to a Clearing Agreement with an ISA Direct Light License Holder may terminate such Clearing Agreement at any time by giving not less than 30 calendar days' prior notice to the respective other party provided that such Clearing Agreement will remain applicable on the effective date of the termination notice and thereafter if and as long as any GC Pooling Repo Transactions entered into under such Clearing Agreement is outstanding and has not been redeemed or otherwise finally settled.

The right to terminate a Clearing Agreement with an ISA Direct Light License Holder for serious cause (*aus wichtigem Grund*) shall remain unaffected.

3.11 Change of Settlement or Collateral Management Infrastructure relating to GC Pooling Repo Transactions with an ISA Direct Light License Holder

Part 1 Number 1.5 (including, without limitation, the provisions set out in Part 1 Number 1.5 (7)) shall apply *mutatis mutandis* with respect to GC Pooling Repo Transactions to which an ISA Direct Light License Holder is a party and references in Part 1 Number 1.5 to the Clearing Member shall, for such purpose, be read as references to the relevant ISA Direct Light License Holder.

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