

FCM Default Rules of Eurex Clearing AG

As of 01.08.2022

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AMENDMENTS ARE MARKED AS FOLLOWS:

INSERTIONS ARE UNDERLINED,

DELETIONS ARE CROSSED OUT.

[...]

4 Default Management Process

[...]

4.2 DM Hedging Transactions

[...]

(2) Hedging Auctions

[...]

- (iii) To be able to participate in Hedging Auctions, an FCM Clearing Member must become a Hedging Auction Participant.

“Hedging Auction Participant” means any FCM Clearing Member, which meets the requirements under Paragraph (a) and has either signed the Hedging Auction Participation Agreement in the form as attached to the DM Auction Rules or is appointed as Hedging Auction Participant by Eurex Clearing AG in accordance with Paragraph (c) below.

Eurex Clearing AG will select the Hedging Auction Participants in accordance with the following provisions:

(a) [...]

- (iv) with respect to which no Termination Event or Insolvency Termination Event has occurred and is continuing.

A Hedging Auction Participant may appoint a third party as its agent which shall participate in Hedging Auctions on behalf and in the name of the Hedging Auction Participant in accordance with the DM Auction Rules.

(b) Hedging Auction Participant on voluntary basis

An FCM Clearing Member may become Hedging Auction Participant by signing the Hedging Auction Participation Agreement on voluntary basis.

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Eurex Clearing AG may contact any FCM Clearing Member, which fulfils all the requirements enlisted under paragraph (a) above to ask such FCM Clearing Member to sign the Hedging Auction participation Agreement on a voluntary basis. The FCM Clearing Member may specify in the Hedging Auction Participation Agreement the Transaction Types or product types with respect to which it intends to participate in Hedging Auctions. The Hedging Auction Participation Agreement forms part of the DM Auction Rules.

As of the signing of the Hedging Auction Participation Agreement by the selected FCM Clearing Member and Eurex Clearing AG, such FCM Clearing Member becomes a Hedging Auction Participant.

(c) Hedging Auction Participant on non-voluntary basis

If the selection process for a voluntary participation pursuant to Paragraph (b) does not result in a number of Hedging Auction Participants per Liquidation Group Eurex Clearing AG deems – in its own discretion – necessary to conduct successful Hedging Auctions, Eurex Clearing AG will rank the other FCM Clearing Members and Clearing Members based on their respective cleared volumes in Own Transactions in the last three months in the relevant Liquidation Group (whereby Clearing Members with higher cleared volumes will be ranked first).

Eurex Clearing AG will select and appoint the relevant FCM Clearing Member as the Hedging Auction Participants in accordance with such ranking, by submitting a written appointment form (submission via e-mail is sufficient) (“Hedging Auction Participant Appointment”). A Hedging Auction Participation Appointment cannot be submitted after the commencement of a Default Management Process.

~~Eurex Clearing AG will inform each selected FCM Clearing Member of its selection as Hedging Auction Participant without undue delay.~~

~~Each selected Hedging Auction Participant is obliged to sign the Hedging Auction Participation Agreement within the next 10 Business Days after the date on which it was informed about the selection by Eurex Clearing AG. As of the receipt of the Hedging Auction Participant Appointment by the FCM Clearing Member signing of the Hedging Auction Participation Agreement by the selected FCM Clearing Member and Eurex Clearing AG, the such FCM Clearing Member becomes a Hedging Auction Participant.~~

Eurex Clearing AG shall specify in the Hedging Auction Participation Appointment the Transaction Types or product types with respect to which the Hedging Auction Participant shall be obliged to provide bids in Hedging Auctions. When selecting such Transaction Types or product types, Eurex Clearing AG shall use best efforts to find a fair and proportionate selection of products taking into account the interests of the relevant FCM Clearing Member and the range and clearing volume of products the FCM Clearing

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Member was active in during the last three months prior to the Hedging Auction Participant Appointment.

If the FCM Clearing Member can prove to Eurex Clearing AG that it does not have the required capability from an operational and risk management perspective to be able to clear the Transaction Types or product types specified in the Hedging Auction Participant Appointment, Eurex Clearing AG and the FCM Clearing Member agree on an acceptable scope of Transaction Types or product types to form part of the Hedging Auction Participant Appointment.

[...]

(vi) [...]

The “**Maximum Hedging Spread Value**” will be determined by Eurex Clearing AG in the Specific Hedging Auction Terms in accordance with the relevant applicable calculation method. Eurex Clearing AG will publish the calculation method and any changes thereof on the Eurex Clearing Website pursuant to Number 16.1.

[...]

[...]
