

Chapter II of the Clearing Conditions of Eurex Clearing AG

Transactions Concluded at Eurex Deutschland and Eurex Zürich

(Eurex Exchanges)

As of 01.02.2017

AMENDMENTS ARE MARKED AS FOLLOWS:

INSERTIONS ARE UNDERLINED

DELETIONS ARE CROSSED OUT

[...]

Part 2 Clearing of Futures Contracts

The following provisions shall apply to the Clearing of futures contract transactions specified in Number 1 of the Contract Specifications for Futures Contracts and Options Contracts at Eurex Deutschland and Eurex Zürich ("**Eurex Contract Specifications**").

[...]

2.1.2 Daily Settlement Price

[...]

(5) Reference times

The scheduled reference times for the determination of the Daily Settlement Prices for the respective Contracts are set out in the table below.

[...]

Contract	Reference Time (CET)
All other Index Dividend Futures	17:30
All other Index-Futures	17:30
CECE [®] EUR-Futures	17:10
Commodity Index Futures	17:30
CONF-Futures	17:00
ETC Futures	17:30
Eurex -KOSPI-Daily Futures Contracts	17:30
Fixed Income Futures (denominated in Euro)	17:15
Futures Contracts with assigned group ID BR01, CA01, CA02, US01 or US02	17:45
FX Futures	17:30 (15:00 on every expiry day of a series /

Contract	Reference Time (CET)
	third Wednesday of the expiry month for the expiring contract)
GMEX IRS Constant Maturity Futures	18:00
Gold Futures	17:30
Index Dividend Futures	17:30
Money Market Futures (FEO1 AND FEU3)	17:15
FLIC	18:00
RDX [®] EUR Futures, RDX [®] USD Futures	16:30
Silver Futures	17:30
SMI [®] Index Dividend Futures	17:20
SMI [®] -Futures, SLI [®] Futures	17:20
SMIM [®] Futures	17:20
Variance futures	17:50
VSTOXX [®] - Mini -Futures	17:30
TA-25 Futures	16:35
Interest Rate Swap Futures Contracts	17:15

[...]

2.6 Clearing of Volatility Index Futures contracts

The following provisions shall apply to the Clearing of Volatility Index Futures contract transactions specified in Number 1.5 of the Contract Specifications for Futures Contracts and Options Contracts at Eurex Deutschland and Eurex Zürich.

[...]

2.6.2 Final Settlement Price

The final settlement price of the Volatility Index Futures Contract shall be determined by Eurex Clearing AG on the final settlement day (Number 1.5.4 of the Contract Specifications for Futures Contracts and Options Contracts at Eurex Deutschland and Eurex Zürich) of a contract.

For VSTOXX[®] -~~Mini~~-Futures contracts (product ID: FVS), the average value of all index calculations of the VSTOXX[®] between 11:30 and 12:00 CET on the last trading day applies.

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

[...]

Part 3 Clearing of Options Contracts

[...]

3.14 Clearing of Options Contracts on Volatility Index Futures Contracts

The following provisions shall apply to the clearing of transactions on the following Options Contracts on Volatility Index Futures Contracts:

Options Contracts on VSTOXX® Futures Contracts according to Number 2.14 of the Contract Specifications for Futures Contracts and Options Contracts at Eurex Deutschland and Eurex Zürich.

3.14.1 General Regulations

The clearing of Options Contracts on Volatility Index Futures Contracts is subject to the following rules up to the assignment of the exercised option pursuant to the requirements applicable for the clearing of options contracts, in line with the opening of the futures position pursuant to the requirements for the clearing of futures contracts.

3.14.2 Option Premium

The balance of the option premiums (“**Net Premium**”) to be paid by the Clearing Members and to be reimbursed by Eurex Clearing AG shall be payable by the time specified by Eurex Clearing AG on the Business Day following the conclusion of the transaction pursuant to Number 3.1 Paragraph (5), but generally prior to the commencement of trading at Eurex Deutschland and Eurex Zürich on such Business Day.

3.14.3 Daily Settlement prior to Exercise

(1) For each Options contract, profits and losses arising out of open positions on any Business Day will be determined at the end of the Post-Trading Period. For open positions from the previous Business Day, the amount to be debited or credited shall equal the difference between the daily settlement prices of the contract in question on the relevant Business Day and on the previous Business Day. For transactions on the relevant Business Day, the amount to be credited or debited shall equal the difference between the price at which the transaction was concluded and the daily settlement price of the contract for such Business Day.

The determined profit or loss amount on any Business Day shall be the Variation Margin Requirement, Segregated Variation Margin Requirement or Net Omnibus Variation Margin Requirement, as applicable, and/or any Redelivery Amount, as the case may be (each defined in Chapter I Part 2 Number 7, Chapter I Part 3 Subpart A Number 6, Subpart B Number 5 or Chapter I Part 4 Number 6, as applicable).

- (2) Paragraph (1) shall apply to the legal relationship between Clearing Members and their relevant Non-Clearing Members *mutatis mutandis*.

3.14.4 Margin Requirements prior to Exercise

- (1) The basic provisions for margin requirements are set forth in Chapter I Part 1 Number 3 together with the provisions of the respective clearing model (Part 2 Number 6 for the General Clearing Model, Part 3 Subpart A Number 5 and 6 for the Individual Clearing Model (ICM-ECD and ICM-CCD), Part 3 Subpart B Number 4 and 5 for the Individual Clearing Model (ICM-ECD) or Part 4 Number 6 for the Net Omnibus Clearing Model.
- (2) For all options series, the Additional Margin shall also apply.

3.14.5 Procedure for Exercise of Options

- (1) On behalf of an Exchange Participant that exercises a call option, Eurex Clearing AG shall, subsequent to the Post-Trading Period on the exercise day of the respective option, open a corresponding long position in the underlying Futures contract with the stipulated exercise price.
- (2) On behalf of an Exchange Participant to which the exercise of a call option is assigned, Eurex Clearing AG shall open a corresponding short position in the underlying Futures contract with the stipulated exercise price.
- (3) On behalf of an Exchange Participant that exercises a put option, Eurex Clearing AG shall, subsequent to the Post-Trading Period on the exercise day of such option, open a corresponding short position in the underlying Futures contract with the stipulated exercise price.
- (4) On behalf of an Exchange Participant to which the exercise of a put option is assigned, Eurex Clearing AG shall open a corresponding long position in the underlying Futures contract with the stipulated exercise price.
- (5) On behalf of an Exchange Participant of the Eurex Exchanges which are no Clearing Members, Chapter I Part 1 Number 1.2.2 Paragraph (1) (b) applies.

3.14.6 Futures Position

- (1) Unless otherwise provided below, the provisions of Numbers 2.6 and 2.1.4 shall apply for the futures position opened in accordance with Number 3.14.5.
- (2) Notwithstanding Number 2.1.2, the following shall apply:

The difference between the exercise price of the exercised and assigned option and the daily settlement price of the underlying futures contract on the exercise day shall be settled in cash. The amount of such cash settlement shall be credited to or debited from the internal cash account of the Clearing Member pursuant to Chapter I Part 1 Number 4.3.

Part 4 Clearing of Off-Book Trades

[...]

4.4 Clearing of Off-Book Flexible Eurex Options Contracts

[...]

4.4.1 Specifications Flexible Eurex Options Contracts

- (1) When conducting Eurex Off-Book Trades of Flexible Eurex Options Contracts, the contracting parties may – in deviation to the current Eurex Contract Specifications for respective Options Contracts – individually determine the terms, last trading day, exercise type (European Style, American Style), exercise price, final settlement day respectively expiry day of Flexible Eurex Options Contracts. Furthermore, the type of fulfilment (Cash Settlement or Physical Delivery) can be determined for individual Flexible Eurex Options Contracts by Eurex Clearing AG.

1. Terms

For Flexible Eurex Options Contracts, terms of one day until the last trading day of the longest expiry month of the respective Options Contracts admitted to trading at the Eurex exchanges may be determined. _____

For Flexible Eurex Options Contracts on Volatility index Futures only a final settlement day (respectively expiration day) can be determined that coincides with the final settlement day of the corresponding standard options contract on the relevant Volatility Index Future, according to the Contract Specifications for Futures Contracts and Options Contracts at Eurex Deutschland and Eurex Zürich. Transactions in Flexible Options Contracts on Volatility Index Futures with a final settlement day that deviates from the final settlement day in the relevant standard options contract shall be reversed on the same day. The costs for the reversal shall be born by the Clearing Members, Basic Clearing Members, Non Clearing Members or Registered Customers acting as participant of the Trade Entry Services and who are counterparty to the transaction.

[...]

2. Last Trading Day, Final Settlement Day and Expiry Day

[...]

3. Exercise

[...]

4. Fulfilment

For Flexible Eurex Options Contracts on shares, Volatility Index Futures or Exchange-Traded Funds, a fulfilment by payment of a remaining amount

(“**Cash Settlement**”) instead of a fulfilment by physical delivery of the respective index funds (“**Physical Delivery**”) may be determined.

Provided a Cash Settlement has been determined for certain Flexible Eurex Options Contracts on shares respectively for Exchange-Traded Funds or Volatility Index Futures, executed and assigned options contracts shall be settled by a remaining amount which is credited to or debited from the internal cash account of the Clearing Member pursuant to Chapter I Part 1 Number 4.3 ~~of the Clearing Member~~. Number 3.4.5 Paragraph (2) shall apply accordingly.

- For Flexible Eurex Futures Contracts on indices, exclusively a fulfilment by payment of a remaining amount (“**Cash Settlement**”) may be determined. Number 3.4.1 shall apply accordingly.
- For Flexible Eurex Options Contracts on Xetra-Gold[®], a fulfilment by payment of a remaining amount (“**Cash Settlement**”) instead of a fulfilment by physical delivery of the respective Xetra-Gold[®]-Bond (“**Physical Delivery**”) may be determined. In case a Cash Settlement has been determined, executed and assigned options contracts shall be settled by a remaining amount which is credited or debited from the internal cash account pursuant to Chapter I Part 1 Number 4.3 of the Clearing Member. Number 3.4.5 Paragraph (2) shall apply accordingly.
- For Flexible Eurex Options Contracts on Exchange-Traded Commodities Securities, a fulfilment by payment of a remaining amount (“**Cash Settlement**”) instead of a fulfilment by physical delivery of the respective ETC-Options (“**Physical Delivery**”) may be determined. In case a cash settlement has been determined, executed and assigned Options Contracts shall be settled by a remaining amount which is credited or debited to the internal cash settlement account of the respective Clearing Members. ~~Chapter II~~ Number 3.4.5 Paragraph 2 ~~of the Clearing Conditions~~ shall apply accordingly.
- For Flexible Eurex Options Contracts on Volatility Index Futures, a fulfilment by payment of a remaining amount (“**Cash Settlement**”) instead of a fulfilment by physical delivery of the Volatility Index Futures (“**Physical Delivery**”) may be determined. In case a cash settlement has been determined, executed and assigned Options Contracts shall be settled by a remaining amount which is credited or debited to the internal cash settlement account of the respective Clearing Members. Number 3.4.5 Paragraph (2) shall apply accordingly

5. Exercise Prices

[...]

6. Final Settlement Price for Flexible Options Contracts (Cash Settlement)

- For Flexible Eurex Futures Contracts on shares for which a Cash Settlement has been determined, the final settlement price shall be determined by Eurex Clearing AG. The official final price of the share on the respective, individually determined final settlement day shall be relevant. Number 3.6.3 shall apply accordingly.
- For Flexible Eurex Options Contracts on indices (with the exception of MSCI indices and the STOXX[®] Global Select Dividend 100 index) for which a Cash Settlement has been determined, the final settlement price shall be determined by Eurex Clearing AG. The final value of the underlying index on the respective, individually determined final settlement day shall be relevant. Number 3.4.3 shall apply accordingly.
- For Flexible Eurex Options Contracts on MSCI indices and on the STOXX[®] Global Select Dividend 100 index for which a Cash Settlement has been determined, the final settlement price shall be determined by Eurex Clearing AG. The final value of the underlying index on the last trading day preceding the respective, individually determined final settlement day shall be relevant. Number 3.4.3 Paragraph (5), (7) and (8) shall apply accordingly.

In case the final settlement day of Flexible Index Options Contracts and the final settlement day of the respective Index Options Contracts admitted to trading at the Eurex Exchanges are identical, the final settlement price for these Flexible Index Options Contracts shall be determined according to the procedure described in Number 3.4.3.

- For Flexible Eurex Options Contracts on Exchange-Traded Funds for which a Cash Settlement has been determined, the final settlement price shall be determined by Eurex Clearing AG. The value of the underlying on the respective, individually determined final settlement day shall be relevant. Number 3.5.3 shall apply accordingly.
- For Flexible Eurex Options Contracts on Xetra-Gold[®] for which a Cash Settlement has been determined, the final settlement price shall be determined by Eurex Clearing AG on the final settlement day. The final settlement price is calculated on the basis of the auction price for the Xetra-Gold[®]-Bond determined by the Electronic Trading System Xetra[®] of the Frankfurt Stock Exchange during the respective final auction. Number 3.10.3 ~~of the Clearing Conditions~~ shall apply accordingly.
- For Flexible Eurex Options Contracts on Exchange-Traded Commodities Securities for which a cash settlement has been determined, the final settlement price shall be determined by Eurex Clearing AG. The final settlement price shall be calculated on the basis of the official final settlement price for the underlying on the respective, individually determined final settlement day. ~~Chapter II~~ Number 3.12.3 ~~of the Clearing Conditions~~ shall apply accordingly.

- For Flexible Eurex Options Contracts on Volatility Index Futures for which a cash settlement has been determined, the final settlement price shall be determined by Eurex Clearing AG. The final settlement price shall be calculated on the basis of the daily settlement price of the final settlement price of the underlying Volatility Index Future on the respective final settlement day. Number 3.14.6 Paragraph (2) shall apply accordingly.

[...]
