

Chapter II of the Clearing Conditions of Eurex Clearing AG

Transactions Concluded at Eurex Deutschland and Eurex Zürich

(Eurex Exchanges)

As of 02.12.2016

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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 General Provisions

[...]

2.1.2 Daily Settlement Price

[...]

(2) Eurex Clearing AG determines the daily settlement price according to the true market conditions of the respective contract and under consideration of its risk assessment.

(a) When determining the daily settlement prices pursuant to Sentence 1 for contracts of the current expiry month, the following procedure shall apply.

[...]

(k) The daily settlement price for Index Total Return Futures Contracts shall be determined according to Number 2.23.2.

[...]

(5) Reference times

The scheduled reference times for the determination of the Daily-daily Settlement settlement Prices-prices for the respective Contracts are set out in the table below:-

~~Eurex Clearing AG may on a case by case basis determine that a different reference time shall apply for the determination of a Daily Settlement Price, if it so deems appropriate under prevailing circumstances, in particular in case of a closure of the spot market of the underlying of the respective contract prior to the scheduled reference time. Eurex Clearing AG will publish any reference times so determined.~~

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 / 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
<u>Index Total Return Futures Contracts</u>	<u>17:30</u>

The Management Board of Eurex Clearing AG may on a case by case basis determine that a different reference time shall apply for the determination of a daily settlement price, if it so deems appropriate under prevailing circumstances, in

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particular in case of a closure of the spot market of the underlying of the respective contract prior to the scheduled reference time. Eurex Clearing AG will publish any reference times so determined.

[...]

2.22 Clearing of Variance Futures contracts

[...]

2.22.3 Fulfilment, Delivery

Open positions from the last trading day of a contract shall be balanced on the final settlement day by means of a net payment credited to or debited from the internal cash account of the Clearing Member pursuant to Chapter I Part 1 Number 4.3. Such payment shall equal the difference between the final settlement price of such contract and such contract's daily settlement price on the preceding Business Day. For positions opened on the last trading day, the booking amount shall equal the difference between the final settlement price and the trading price.

2.23 Clearing of Index Total Return Futures Contracts

The following provisions shall apply to the clearing of Index Total Return Futures Contracts as specified in Number 1.23 of the Eurex Contract Specifications.

2.23.1 Payment Procedures

All payments shall be made on the Business Day following the final settlement day as specified in Number 1.23.4 of the Eurex Contract Specifications. All Clearing Members must ensure their ability to effect payments on the due date thereof through sufficient credit balances in the RTGS Account or the euroSIC Account.

2.23.2 Daily Settlement Price

The daily settlement price for Index Total Return Futures shall be determined by Eurex Clearing AG based on the Daily Settlement TRF Spread in basis points, according to Number 1.23.8.4 of the Eurex Contract Specifications and in conjunction with the following provisions:

1. The daily settlement price for Index Total Return Futures Contracts is determined in index points as:

$$\underline{\text{Daily settlement price (t) = Index Close (t) + Accrued Distributions (t) - Accrued Funding (t) + Settlement Basis (t)}}$$

Where:

- t = current trading day
- **Index Close (t)** = the closing level of the index calculated by the respective index provider
- **Accrued Distributions (t)**, as defined in the Eurex Contract Specifications
- **Accrued Funding (t)**, as defined in the Eurex Contract Specifications

- Settlement Basis (t) = Index Close (t) * [Daily Settlement TRF Spread(t) * 0.0001] * (days to maturity(t) / Annualisation Factor)

With the:

- Daily Settlement TRF Spread (t) = the TRF Spread in basis points as defined below under sub-paragraph (2)
- Days to maturity(t), as defined in the Eurex Contract Specifications
- Annualisation Factor, as defined in the Eurex Contract Specifications

2. The Daily Settlement TRF Spread used to calculate the Settlement Basis is determined based on the following procedure (“Daily Settlement TRF Spread”):

- The Daily Settlement TRF Spread shall be determined based on the TRF Spread traded via the closing auction between 17:25 – 17:30 CET;
- Should no trades be executed in the closing auction, then the Daily Settlement TRF Spread shall be determined based on the average bid-ask spread of the respective contract month;
- Should no price be determined according to the aforementioned procedure, the Daily Settlement TRF Spread shall be determined based on a theoretic (fair) TRF Spread for the respective contract month

3. The following shall apply to Index Total Return Futures Contracts on EURO STOXX 50® (Product ID: TESX), in conjunction with the Eurex Contract Specifications and provisions specified above under sub-paragraph (1) for the daily settlement price:

<u>Parameter</u>	<u>Format</u>	<u>Description</u>
<u>Index Close</u>	<u>Index points</u>	<u>Daily closing level of EURO STOXX 50® (SX5E) as calculated by Stoxx Ltd</u>
<u>Annualisation Factor</u>	<u>Integer</u>	<u>360</u>

2.23.3 Final Settlement Price

(1) According to Number 1.23.8.5 of the Eurex Contract Specifications, the final settlement price of the Index Total Return Futures Contracts is determined in index points as:

$$\text{Final settlement price (T)} = \text{Final Settlement Index (T)} + \text{Accrued Distributions (T)} - \text{Accrued Funding (T)} + \text{Settlement Basis (T)}$$

Where:

T = expiry date of the contract

Final Settlement Index (T) = Index value used by Eurex Clearing AG to determine the final settlement price in conjunction with the Eurex Contract Specifications

Accrued Distributions (T) and Accrued Funding (T) are determined using the same methodology described for the calculation of the daily settlement price

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Settlement Basis (T) = 0 (as on the expiry date the number of days to maturity is zero)

- (2) The following shall apply to Index Total Return Futures Contracts on EURO STOXX 50® (Product ID: TESX), in conjunction with the Eurex Contract Specifications and formulas used for the calculation of the final settlement price in index points:

<u>Parameter</u>	<u>Format</u>	<u>Description</u>
<u>Final Settlement Index</u>	<u>Index points</u>	<u>Final settlement price of the Index Futures on the EURO STOXX 50® (Product ID: FESX) according to Chapter II Part 2 Number 2.4.2</u>

2.23.4 Margin Requirements

- (1) The applicable Margin Type for Index Total Return Futures Contracts shall be the Initial Margin in accordance with the Eurex Clearing Prisma methodology.
- (2) The Variation Margin for Index Total Return Futures Contracts shall reflect the changes between the daily settlement prices expressed in index points.

2.23.5 Fulfilment, Delivery

- (1) —The performance day for Index Total Return Futures Contracts shall be the business day (as defined in Chapter I Part 1 Number 1.2.4 h)) after the final settlement day of the contract.
- (2) Open positions from the last trading day of a contract shall be balanced on the final settlement day by means of a net payment credited to or debited from the internal cash account of the Clearing Member pursuant to Chapter I Part 1 Number 4.3. Such payment shall equal the difference between the final settlement price of such contract and such contract's daily settlement price on the preceding Business Day. For positions opened on the last trading day, the booking amount shall equal the difference between the final settlement price and the trading price.

2.23.6 Extraordinary Handling

An extraordinary event in relation to Index Total Return Futures Contracts means any occurrence on a Business Day of at least one of the market disruption events or distribution recovery events, as specified in Number 1.23.9.1 and Number 1.23.10 of the Eurex Contract Specifications.

In such extraordinary events, the Management Board of Eurex Clearing AG may decide to adjust the daily settlement prices or to apply an adjustment, as specified in Number 1.23.9.2 and Number 1.23.10 of the Eurex Contract Specifications, which apply *mutatis mutandis*. The decisions needs to be aligned with the Management Boards of the Eurex Exchanges.

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Part 4 Clearing of Off-Book Trades

[...]

4.3 Clearing of Off-Book Flexible Eurex Futures Contracts

Futures Contracts whose contract specifications – except the modalities listed in the following regulations – correspond to the specifications of the contracts admitted to trading at Eurex Deutschland and Eurex Zürich (“**Flexible Eurex Futures Contracts**”) can be included in the clearing. A Eurex Off-Book Trade with a Flexible Eurex Futures Contract exists if the contracting parties have agreed off-book upon the purchase or sale of a futures contract whose characteristics – irrespective of the modalities listed in the following – correspond to the specifications of Eurex Futures Contracts determined in the Eurex Contracts Specifications and which have been included in the Clearing by Eurex Clearing AG.¹

[...]

¹ Number 4.3 shall not apply with regard to Off-Book Flexible Futures Contracts which relate to Futures Contracts on the dividends of Shares, Index Dividend Futures Contracts, Money Market-, Fixed Income, ~~or~~ Volatility Index Futures Contracts or Index Total Return Futures Contracts admitted to trading on the Eurex Exchanges. Insofar, Eurex Clearing AG does not assume the clearing of these Flexible Eurex Futures Contracts.