

Chapter I of the Clearing Conditions of Eurex Clearing AG

General Provisions

As of 05.05.2023

[...]

Part 1 General Clearing Provisions

[...]

3 General Provisions regarding Margin and Variation Margin

[...]

3.2 Eligible Margin Assets; and Valuation; Rejection or Exchange Request; Large Exposures; Cash Ratio

[...]

3.2.4 If Eurex Clearing AG becomes aware of

- ~~(i) circumstances, which justify a higher risk assessment of Eurex Clearing AG with respect to the Clearing Member or ISA Direct Clearing Member, or~~
- ~~(ii) unanticipated market developments, which have an adverse impact on specific Eligible Margin Assets ("**Affected Margin Assets**") that either have been announced to be delivered to or have actually been actually delivered to Eurex Clearing AG or that have been announced to be delivered to Eurex Clearing AG,~~

Eurex Clearing AG is entitled to

- ~~(a) reject the delivery of the Affected specific Eligible Margin Assets ("**Rejection**"), or~~
- ~~(b) request at any time and in its discretion from the Clearing Member or ISA Direct Clearing Member the exchange of the Affected Margin Assets, which have already been delivered to Eurex Clearing AG against any other Eligible Margin Asset to be selected by the Clearing Member or ISA Direct Clearing Member ("**Exchange Request**").~~

~~in respect of Margin the delivery of other Eligible Margin Assets as specified by Eurex Clearing AG as replacement for Eligible Margin Assets which have been actually delivered to Eurex Clearing AG.~~

In addition, the following provisions shall apply:

- ~~(1) The Rejection pursuant to Sentence 1 (a) and the Exchange Request shall be made in writing, specify the Affected Margin Assets and ~~and shall include a reasoning, provide for the specification of the rejected Eligible Margin Asset and the reason for the rejection.~~ The Exchange Request pursuant to Sentence 1 (b) shall further foresee be made in writing and shall include the specification of the relevant Eligible Margin Assets to be delivered, their value, and a reasonable period of time within~~

which ~~the other~~ uch Eligible Margin Assets shall ~~actually be delivered to Eurex Clearing AG~~ be delivered ("**Exchange Period**").

~~(2)~~(1) ~~Once the relevant other Eligible Margin Assets requested pursuant to Sentence 1 (b) have been actually delivered to Eurex Clearing AG after an Exchange Request, the Clearing Member or ISA Direct Clearing Member may request the release or redelivery of the Affected other Eligible Margin Assets in accordance with the relevant provisions of the Elementary Clearing Model Provisions, the ISA Provisions or the ISA Direct Provisions, as applicable.~~

~~(2)~~ ~~To the extent~~ If the Clearing Member or ISA Direct Clearing Member does not deliver other Eligible Margin Assets upon an Exchange Request within the Exchange Period, requested pursuant to Sentence 1 (b) have not been delivered within the specified period of time, Eurex Clearing AG shall be entitled to directly debit the relevant Clearing Member Cash Account or ISA Direct Cash Account, or OTC IRS U.S. Clearing Member Cash Account in accordance with the daily cash clearing procedure pursuant to Number 1.4.1 of the General Clearing Provisions in an amount equal to the amount of current value of the Affected Eligible Margin Assets requested pursuant to Sentence 1 (b).

~~(4) If a Clearing Member or ISA Direct Clearing Member requests the redelivery or release of Eligible Margin Assets in accordance with the relevant provisions of the Elementary Clearing Model Provisions, the ISA Provisions or the ISA Direct Provisions, as applicable, Eurex Clearing AG is entitled to refuse the redelivery or release of specific Eligible Margin Assets in its own discretion, provided that Eurex Clearing AG becomes aware of (i) circumstances, which justify a higher risk assessment of Eurex Clearing AG with respect to the Clearing Member or ISA Direct Clearing Member, or (ii) unanticipated market developments, which have an adverse impact on actually delivered Eligible Margin Assets. Eurex Clearing AG shall inform the relevant Clearing Member or ISA Direct Clearing Member about its decision to refuse the redelivery or release of Eligible Margin Assets immediately.~~

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3.2.6 Cash Ratio

Eurex Clearing AG shall be entitled to implement a specific Cash Ratio and to require the Clearing Member or ISA Direct Clearing Member to comply with such Cash Ratio when providing Eligible Margin Assets with respect to the relevant Margin Requirements, provided that Eurex Clearing AG determines that the implementation of such Cash Ratio is required (i) to enable Eurex Clearing AG to comply with its regulatory obligations to have access to adequate liquidity (in particular in accordance with Art 44 of EMIR) and (ii) to ensure that Eurex Clearing AG is able to perform a prudent liquidity risk management.

"Cash Ratio" means a specific ratio, expressed as a percentage, of (i) the value of all Eligible Margin Assets in form of cash ("**Cash Margin**") to (ii) the sum of the overall margin requirement calculated by Eurex Clearing AG with respect to the relevant internal

margin accounts (specified as relevant for the Cash Ratio in accordance with Paragraph (1) below).

In addition, the following provisions shall apply:

- (1) Eurex Clearing AG shall be entitled to limit the scope of application of the Cash Ratio to specific internal margin accounts.
- (2) Eurex Clearing AG will determine a reasonable start date as of which Eurex Clearing AG will begin to request the delivery of additional Cash Margin, if the relevant Clearing Member or ISA Direct Clearing Member does not comply with the Cash Ratio ("**Cash Ratio Delivery Period**").
- (3) Eurex Clearing AG shall publish the Cash Ratio, the Cash Ratio Delivery Period and any limitations specified in accordance with Paragraph (1) above via electronic circular and on the Eurex Clearing Website.
- (4) The decision to implement a Cash Ratio and the Cash Ratio Delivery Period shall be taken by the Executive Board in its reasonable discretion (*billiges Ermessen*).

When determining the applicable Cash Ratio, Eurex Clearing AG shall use best efforts to find a fair and proportionate (*verhältnismäßig*) size of the Cash Ratio taking into account the interests of all Clearing Members, ISA Direct Clearing Members and FCM Clearing Members.

When determining the Cash Ratio Delivery Period, Eurex Clearing will consider the interests of the relevant Clearing Member or ISA Direct Clearing Member. If - due to the specific circumstances of the case – a reasonable Cash Ratio Delivery Period could lead to an immediate violation of a regulatory liquidity obligation by Eurex Clearing AG or could endanger a prudent liquidity risk management of Eurex Clearing AG, Eurex Clearing AG is entitled to specify a shorter Cash Ratio Delivery Period enabling Eurex Clearing AG to comply with its obligations.

- (4) Eurex Clearing AG will constantly monitor the Cash Ratio and adjust the Cash Ratio, if required.
- (5) As of the publication the Cash Ratio by Eurex Clearing AG, the Cash Ratio becomes effective and needs to be complied with by the Clearing Member or ISA Direct Clearing Member subject to the following provisions under Paragraphs (a) and (b):

- (a) Actual Cash Ratio does not comply with Cash Ratio

As of the publication of the Cash Ratio, Eurex Clearing AG will calculate the actual cash ratio for each internal collateral account as determined in accordance with Paragraph (1) ("**Actual Cash Ratio**") and provide such information to the Clearing Member or ISA Direct Clearing Member in its daily reporting.

If the Actual Cash Ratio with respect to an internal margin account does not comply with the Cash Ratio, the Clearing Member or ISA Direct Clearing Member shall provide the amount of Cash Margin, which is needed to comply with the Cash Ratio, at the latest by the end of the applicable Cash Ratio Delivery Period.

If the Clearing Member or ISA Direct Clearing Member fails to comply with the Cash Ratio with respect to an internal margin account at the latest by the end of the applicable Cash Ratio Delivery Period, Eurex Clearing AG is entitled to directly debit the Clearing Member Cash Account or the ISA Direct Cash Account in accordance with the daily cash clearing procedure pursuant to Number 1.4.1.

(b) Rejection of Redelivery Request with respect of Cash Margin

If a Clearing Member or ISA Direct Clearing Member submits a request for the redelivery of Cash Margin in accordance with the relevant provisions of the Elementary Clearing Model Provisions, the ISA Provisions or the ISA Direct Provisions, as applicable, and provided that the amount of Cash Margin remaining after the fulfilment of such request does not meet the Cash Ratio, Eurex Clearing AG shall be entitled to reject such redelivery request limited to the amount of Cash Margin needed to comply with the Cash Ratio.

Eurex Clearing AG shall inform the Clearing Member or ISA Direct Clearing Member about the rejection by submitting a written notice without undue delay.

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