

Chapter VIII of the Clearing Conditions of Eurex Clearing AG

Clearing of OTC Interest Rate Derivative Transactions, OTC FX Transactions and OTC XCCY Transactions

As of 19.06.2019

AMENDMENTS ARE MARKED AS FOLLOWS:

INSERTIONS ARE UNDERLINED,

DELETIONS ARE CROSSED OUT.

[...]

Part 2 Clearing of OTC Interest Rate Derivative Transactions

[...]

2.1 General Provisions

[...]

2.1.5 Novation Criteria and Process Regarding OTC Interest Rate Derivative Transactions

[...]

2.1.5.3 Bulk Backloading of Original OTC Transactions

[...]

- (5) At 3:00 p.m. and 5:00 p.m. (each Frankfurt am Main time) on each Business Day Eurex Clearing AG will make available to the Clearing Member and the DC With System Access and the Basic DC (depending on the categorisation of such Basic DC in the systems of Eurex Clearing AG) or the Basic Clearing Member (or Clearing Agent acting on behalf of the Basic Clearing Member) a preliminary report indicating the Bulk Backload~~ing~~ Original OTC Transactions which have been received for Clearing and which fulfil the novation criteria pursuant to Number 2.1.5.1 and

the Margin Requirement as well as any shortage in actually delivered Eligible Margin Assets.

- (6) ~~A~~ Bulk Backloaded Original OTC Transactions which, on the day of submission, fulfils all novation criteria shall be novated on that Business Day. The novation will become effective when the respective OTC Trade Novation Report will be made available intraday at around 5:30 p.m. (Frankfurt am Main time) and at the end of a Business Day at or around 11:00 p.m. (Frankfurt am Main time).

[...]

- (8) A Clearing Member, a DC With System Access (acting on behalf of the Clearing Member) or a Basic Clearing Member (or a Clearing Agent acting on behalf of the Basic Clearing Member) may subsequently cancel the submission with respect to any Bulk Backload~~ing~~ Original OTC Transaction submitted to Eurex Clearing AG via an ATS and intended to be novated by the latest by 5:00 p.m. (Frankfurt am Main time) on a Business Day, provided that

[...]

Part 3 Clearing of OTC FX Transactions

3.1 General Provisions

[...]

3.1.5 Novation Criteria and Process Regarding OTC FX Transactions

[...]

3.1.5.1 Transaction Type Specific Novation Criteria

[...]

3.1.5.3 Bulk Backloading of Original OTC FX Transactions

- (1) An Original OTC Transaction that has a Trade Date which falls more than three Business Days prior to the date of submission to Eurex Clearing AG and in respect of which the initial exchange of payments has already been settled bilaterally will be considered as a backloaded trade (“Bulk Backloaded Original OTC FX Transaction”).
- (2) The novation and clearing process for Bulk Backloaded Original OTC FX Transactions which have been submitted to Eurex Clearing AG via an ATS will be carried out on each Business Day. The novation process will be performed pursuant to the following paragraphs.
- (3) Bulk Backloaded Original OTC FX Transactions that are to be included in the Clearing by way of novation may be submitted to Eurex Clearing AG at any point in time. Bulk Backloaded Original OTC FX Transactions which are submitted prior to 3:00 p.m. (Frankfurt am Main time) on a Business Day and which fulfil all applicable novation criteria will be included in the novation process on such Business Day.
- (4) The novation process for OTC Bulk Backloaded Original Transactions which are submitted after 3:00 p.m. (Frankfurt am Main time) on a Business Day will be carried out on the next Business Day.
- (5) At 3:00 p.m. (Frankfurt am Main time) and 5:00 p.m. (Frankfurt am Main time) on each Business Day Eurex Clearing AG will make available to the Clearing Member a preliminary report indicating the Bulk Backloaded Original OTC FX Transactions which have been received for Clearing and which fulfil the novation criteria pursuant to Number 3.1.5.1 and the Margin Requirement as well as any shortage in actually delivered Eligible Margin Assets.
- (6) Bulk Backloaded Original OTC FX Transactions which, on the day of submission, fulfil all novation criteria shall be novated on that Business Day. The novation will become effective when the respective OTC Trade Novation Report will be made available intraday at around 5:30 p.m. (Frankfurt am Main time) and at the end of a Business Day at or around 11:00 p.m. (Frankfurt am Main time).

(7) For Bulk Backloaded Original OTC FX Transactions which, on the day of submission, fulfil all novation criteria except for the provision of the Eligible Margin Assets necessary to cover the margin requirement Eurex Clearing AG will debit the shortfall amount set forth in the OTC Margin Call Report produced and made available at 10:30 p.m. (Frankfurt am Main time) in the agreed Clearing Currency from the relevant Clearing Member Cash Account of the Clearing Member in accordance with the daily cash clearing procedure pursuant to Chapter I Part 1 Number 1.4.1. Such payment made by direct debit shall constitute cover in respect of the Margin to which the margin requirement referred to in the foregoing sentence relates and accordingly will constitute Elementary Proprietary Margin delivered by the Clearing Member pursuant to the Elementary Clearing Model Provisions. Eurex Clearing AG will make available an OTC Trade Novation Report on the Business Day following the day of submission at or around 9:30 a.m. (Frankfurt am Main time) to the Clearing Member.

(8) A Clearing Member may subsequently cancel the submission with respect to any Bulk Backloaded Original OTC FX Transaction submitted to Eurex Clearing AG via an ATS and intended to be novated by the latest by 5:00 p.m. (Frankfurt am Main time) on a Business Day, provided that

- (i) the cancellation request is entered by the Clearing Member into the system of, and received by, Eurex Clearing AG, and
- (ii) the other Clearing Member that is a party to the relevant Transaction has given its prior consent in the system of Eurex Clearing AG.

[...]

Part 4 Clearing of OTC XCCY Transactions

4.1 General Provisions

[...]

4.1.5 Novation Criteria and Process Regarding OTC XCCY Transactions

[...]

4.1.5.3 Bulk Backloading of Original OTC XCCY Transactions

[...]

- (5) At 3:00 p.m. (Frankfurt am Main time) and 5:00 p.m. (Frankfurt am Main time) on each Business Day Eurex Clearing AG will make available to the Clearing Member a preliminary report indicating the Bulk Backloading Original OTC XCCY Transactions which have been received for Clearing and which fulfil the novation criteria pursuant to Number 4.1.5.1 and the Margin Requirement as well as any shortage in actually delivered Eligible Margin Assets.

[...]

- (8) A Clearing Member may subsequently cancel the submission with respect to any Bulk Backloading Original OTC XCCY Transaction submitted to Eurex Clearing AG via an ATS and intended to be novated by the latest by 5:00 p.m. (Frankfurt am Main time) on a Business Day, provided that
- (i) the cancellation request is entered by the Clearing Member into the system of, and received by, Eurex Clearing AG, and
 - (ii) the other Clearing Member that is a party to the relevant Transaction has given its prior consent in the system of Eurex Clearing AG.

[...]
