

Chapter I of the Clearing Conditions of Eurex Clearing AG

General Provisions

As of 24.10.2022

AMENDMENTS ARE MARKED AS FOLLOWS:

INSERTIONS ARE UNDERLINED,

DELETIONS ARE CROSSED OUT.

[...]

Part 1 General Clearing Provisions

1 General Rules

1.1 Scope of Application

[...]

1.1.2 The Clearing Procedures refer to the following types of Transactions (each a “**Transaction Type**”) resulting from:

[...]

(4) the novation of (i) OTC Interest Rate Derivative Transactions pursuant to Chapter VIII Part 2 and (ii) OTC NDF Transactions pursuant to Chapter VIII Part 35.

[...]

1.2 Clearing Procedures

[...]

1.2.2 Conclusion of Transactions and Transfer of Transactions

[...]

(4) Transfer of Transactions

(a) Subject to the terms and conditions set out in the Special Clearing Provisions and this Paragraph (45), a Clearing Member or an ISA Direct Clearing Member (the “**Transferor Clearing Member**” for the purposes of Paragraph (a) through (c)) may with the consent of Eurex Clearing AG transfer a Transaction

concluded with Eurex Clearing AG (for the purposes of Paragraph (c) each an **“Original Transaction”**)

[...]

1.2.4 Certain Definitions and Interpretation

[...]

- (2) **“Clearing Currency”** means either Euro (**“EUR”**), Swiss Francs (**“CHF”**) or British Pounds (**“GBP”**) as agreed in writing between Eurex Clearing AG and the Clearing Member in respect of each Standard Agreement or between Eurex Clearing AG and the Clearing Agent (acting on behalf of the relevant ISA Direct Clearing Member) in respect of the ISA Direct Clearing ~~Member Agreement~~ (as defined in Part 6 Number 1), provided that all Standard Agreements linked to a particular internal margin account need to have the same Clearing Currency. In these Clearing Conditions **“Euro”** means the lawful currency of the member states of the European Union that continue to have adopted the single currency in accordance with the Treaty establishing the European Community (signed in Rome on March 25, 1957), as amended by the Treaty on the European Union (signed in Maastricht on February 7, 1992), the Treaty of Amsterdam (signed in Amsterdam on October 2, 1997), the Treaty of Nice (signed in Nice on February 26, 2001) and the Treaty of Lisbon (signed in Lisbon on December 13, 2007).

[...]

1.3 Set-off

1.3.1 Set-off of claims between the Clearing Member or ISA Direct Clearing Member and Eurex Clearing AG

[...]

(1) Set-off Procedure within Standard Agreements

(a) Set-off of Cash Claims

Eurex Clearing AG shall be entitled to set off any of its cash claims under a specific Standard Agreement against other cash claims of the Clearing Member or ISA Direct Clearing Member under that Standard Agreement, in each case excluding Settlement Claims in cash and Residual Payment Claims (each as defined in Paragraph (b) below).

“Settlement Claims” means, with respect to Transactions that provide for a Physical Delivery, (i) all payment and delivery claims arising from Transactions under Chapter II from, and including, the time of the exercise or assignment (Zuteilung) of the relevant Transaction and (ii) all payment and delivery claims arising from Transactions under Chapters IV and V.

The set-off of all Settlement Claims arising from Eurex Transactions, Eurex Repo Transactions and FWB Transactions shall occur in accordance with the applicable provisions under Chapter II, Chapter IV or Chapter V.

~~(b) **Set-off of Settlement Claims pursuant to Chapter IV**~~

~~— Settlement Claims against a Clearing Member or ISA Direct Clearing Member under a specific Standard Agreement can only be set off by Eurex Clearing AG against Settlement Claims of that Clearing Member or ISA Direct Clearing Member arising under such Standard Agreement, if with the Settlement Claims form part of the same Set-Off Cluster.~~

~~(i) Eurex Clearing AG and the Clearing Member may only agree on Set-Off Clusters with respect to Settlement Claims arising from Repo Transactions pursuant to Chapter IV.~~

~~(ii) Any residual cash claims resulting from a set-off within a particular Set-Off Cluster may be set off against other residual cash claims in the same currency resulting from a set-off within any other Set-Off Cluster under the same Standard Agreement (each of these cash claims resulting from such set-off a "Residual Payment Claim").~~

~~(iii) Definitions:~~

~~— "Settlement Claims" means, with respect to Transactions that provide for a Physical Delivery, (i) all payment and delivery claims arising from Transactions under Chapter II from, and including, the time of the exercise or assignment (*Zuteilung*) of the relevant Transaction and (ii) all payment and delivery claims arising from Transactions under Chapters IV and V.~~

~~— Eurex Clearing AG and the Clearing Member may agree in advance to set up one or more clusters of Settlement Claims (each a "Set-Off Cluster"). At any time, a Set-Off Cluster shall be composed of Settlement Claims only in accordance with the following pre-requisites:~~

~~(I) the Settlement Claims shall relate to Securities with the same securities identifier; and~~

~~(II) the Settlement Claims shall be settled in the same currency; and~~

~~(III) the Settlement Claims shall be settled by crediting the same Securities account at the Settlement Location; and~~

~~(IV) the set-off of the Securities delivery obligations arising under the selected Settlement Claims shall result in a full set-off of all such Securities delivery obligations; for such purposes Eurex Clearing AG may also partially include certain Settlement Claims in the relevant Set-Off Cluster.~~

~~(iv) **Processing Method**~~

~~— The Clearing Member or the Clearing Agent (acting on behalf of the ISA Direct Clearing Member) may opt to either allow Eurex Clearing AG to generally set off all Settlement Claims (the “**Net Processing**”) or to generally exclude all Settlement Claims from such set-off (the “**Gross Processing**”). The Clearing Member or the Clearing Agent (acting on behalf of the ISA Direct Clearing Member) is entitled to specify exemptions for certain Settlement Claims from the relevant applicable processing method.~~

~~(v) **Chaining**~~

~~— The Clearing Member or the Clearing Agent (acting on behalf of the ISA Direct Clearing Member) may require that Settlement Claims of certain buy and sell Transactions shall form part of the same Set-Off Cluster in whole or in part.~~

~~(vi) **Cash Deferral**~~

~~— If a Clearing Member or the Clearing Agent (acting on behalf of the ISA Direct Clearing Member) elected the Positive Procedure pursuant to Number 1.4.2 Paragraph (9) (a), such Clearing Member or the Clearing Agent (acting on behalf of the ISA Direct Clearing Member) may require a further exemption from the Net Processing method and block the set-off of Settlement Claims from certain sell Transactions in which case Eurex Clearing AG may assign Settlement Claims from buy Transactions to such Settlement Claims from sell Transactions. Such blocked Settlement Claims from sell Transactions and assigned Settlement Claims from buy Transactions shall neither be subject to a set-off nor be fulfilled before the blocking of such Settlement Claims from sell Transactions is released by the Clearing Member or the Clearing Agent (acting on behalf of the ISA Direct Clearing Member).~~

~~(c) **Set-off with respect to Chapter II and Chapter V**~~

~~— The set-off with respect to Eurex Transactions and FWB Transactions shall occur in accordance with the applicable provisions under Chapter II or Chapter V.~~

~~— This shall not apply with respect to Eurex Transactions and FWB Transactions, which are concluded prior to 27 September 2021 and which are settled on or after the 27 September 2021. In such case, the provisions under paragraph (b) above shall apply.~~

~~(bd) **Declaration of Set-off**~~

Eurex Clearing AG shall declare the set-off by (i) the provision (*Zurverfügungstellung*) of the daily internal cash account (set out in Number 4.3) statement with respect to any set-off pursuant to Paragraph (1)(a) above, or (ii) the provision of the settled cash transaction report or the actual settlement delivery report (*Ist-Lieferreport*) with respect to any set-off pursuant to Paragraph (1) (b)

~~above, or (iii)~~ other means (including the provision of a corrected or amended statement or report).

(~~ce~~) **Effectiveness of Set-off**

The effect of a set-off pursuant to this Paragraph (1) is that the claims included in the set-off, to the extent that they correspond, are deemed to have expired at the point in time at which they were firstly suitable for set-off against each other (§ 389 German Civil Code (*Bürgerliches Gesetzbuch*) ("**BGB**")).

(2) **Set-off procedure across Standard Agreements**

(a) **General Rules**

(~~aa~~) —————Eurex Clearing AG shall be entitled to set off cash payment claims arising from Transactions other than Settlement Claims (the "**Payment Claims**") under a specific Standard Agreement with the Clearing Member with other Payment Claims of the Clearing Member in the same currency which, in each case, are due and payable under any other Standard Agreement.

—The Clearing Member and Eurex Clearing AG may agree in writing to exclude the set-off of Payment Claims across Standard Agreements or to limit such set-off to specific groups of Standard Agreements.

~~(bb) Further, Eurex Clearing AG shall be entitled to set off Payment Claims and Residual Payment Claims, but excluding cash claims which are to be settled against Physical Delivery under a specific Standard Agreement with the Clearing Member with other Residual Payment Claims of the Clearing Member in the same currency which, in each case, are due and payable under any other Standard Agreement.~~

(b) **Set-off Declaration**

Eurex Clearing AG shall declare the set-off by (i) the provision (*Zurverfügungstellung*) of the daily internal cash account (set out in Number 4.3) statement with respect to any set-off pursuant to Paragraph (2) (a) (~~aa~~) above, or (ii) ~~by the settled cash transaction report or the actual settlement delivery report (*Ist-Lieferreport*) with respect to any set-off pursuant to Paragraph (2) (a) (bb)~~ above, or (ii) other means (including the provision of a corrected or amended statement or report).

[...]

1.4 Settlement of Transactions

[...]

1.4.2 Settlement of Transactions in Securities

[...]

- (4) Each transfer of ownership in Securities (other than WP Credits) shall be made in accordance with the relevant applicable laws and the relevant market practice.

[...]

- (d) To the extent German law applies to the transfer of ownership in (i) Securities in the form of bearer securities (*Inhaberwertpapiere*) and (ii) securities payable to order equipped with a blank endorsement (*blankoindossierte Orderwertpapiere*) which are governed by German law and held in collective safe custody (*Girosammelverwahrung*) with Clearstream Banking AG ("**German Securities**"), the following provisions shall additionally apply:

[...]

- ~~(8) Amendments to the Hold-/Release-Status with respect to Eurex Transactions and FWB Transactions~~

- (8) Once a settlement instruction has been submitted to the relevant Settlement Location by Eurex Clearing AG, the Clearing Member or ISA Direct Clearing Member (or, as applicable, the Clearing Agent) shall only be entitled to change settlement instructions relating to a delivery obligation in the systems of the relevant Settlement Location by setting, either in full or partially, such settlement instruction on "hold" or "release" ("**Hold-/Release-Status**"). The Clearing Member or ISA Direct Clearing Member (or, as applicable, the Clearing Agent) shall not change the settlement instruction in any other way. In case of a securities account of a settlement institution pursuant to Number 2.1.2 (7) of the General Clearing Conditions, the Clearing Member or ISA Direct Clearing Member (or, as applicable, the Clearing Agent) shall ensure that the settlement institution does only make changes to the relevant settlement instruction relating to the Hold-/Release Status.

- ~~(9) Special Provisions regarding Repo Transactions~~

- ~~(a) With respect to Repo Transactions, Eurex Clearing AG offers an electronically supported service in order to improve the delivery process (the "**Gross Delivery Management**").~~

~~— The use of the Gross Delivery Management requires technical access to the respective interface of the network provided by Eurex Clearing AG; such access shall be in line with the specifications defined by Eurex Clearing AG.~~

~~— The Gross Delivery Management includes two release methods:~~

- ~~(i) Under the "**Positive Procedure**", the delivery obligations under all Transactions is set on "hold" and the Clearing Member or the ISA Direct Clearing Member (or the Clearing Agent acting on its behalf) is required to release the delivery obligation under an individual Transactions, if such delivery obligation shall be settled. The release of parts of a Transaction is permissible.~~

~~(ii) Under the “**Negative Procedure**”, the delivery obligations under all Transactions is set on “release” and the Clearing Member or the ISA Direct Clearing Member (or the Clearing Agent acting on its behalf) is required to set the delivery obligation under an individual Transactions on “hold”, if such delivery obligation shall not be settled. A Transaction can partially be set on hold.~~

~~— In connection with the use of the Gross Delivery Management, Clearing Members, Clearing Agents (acting on behalf of their ISA Direct Clearing Members) or third parties designated by the Clearing Member shall receive individual transaction data from Eurex Clearing AG.~~

~~(b) With respect to the fulfilment of delivery and payment obligations arising from Repo Transactions with regard to German Securities, Paragraph (4) shall not be applicable and the following provisions as well as to Paragraph (7) (unless otherwise provided in the relevant Special Clearing Provisions) shall apply:~~

~~(aa) Unless otherwise provided for in the relevant Special Clearing Provisions, Eurex Clearing AG hereby acts as intermediary (*Besitzmittler*) of the Clearing Members or the ISA Direct Clearing Members obliged to deliver in order to transfer such Securities to the Clearing Members or the ISA Direct Clearing Members to whom delivery is to be made. The physical deliveries shall be carried out via a Settlement Location; the payment shall be effected via the respective account determined by the Settlement Location.~~

~~(bb) The transfer of ownership shall be carried out when the following prerequisites have been fulfilled:~~

~~(A) the Settlement Location included in the Securities transfer has, where required, carried out all bookings with regard to the Transactions having been set off or netted or not having been set off or netted by Eurex Clearing AG from the custody account of Eurex Clearing AG with the Settlement Location to the custody accounts of the Clearing Members or ISA Direct Clearing Members (or the Clearing Agent acting on their behalf) to whom delivery is to be made with the Settlement Location; and~~

~~(B) the respective cash netting has been carried out by the Settlement Location; and~~

~~(C) the Clearing Members or, in respect of ISA Direct Clearing Member Transactions, the Clearing Agent(s) (acting on behalf of the respective ISA Direct Clearing Member) and or the ISA Direct Clearing Member(s) have been provided with the actual settlement delivery report (*Ist-Lieferreport*) by Eurex Clearing AG, such report specifying the single transactions that have actually been delivered.~~

~~(c) This paragraph (9) shall also apply to all Transactions, which are concluded prior to 27 September 2021 and are settled on or after the 27 September 2021.~~

[...]

2 Clearing Members

2.1 Clearing License

[...]

2.1.2 General Prerequisites for Clearing Licenses

[...]

(3) The applicant for a Clearing License must

[...]

(d) Should an applicant have insufficient own funds, equivalent regulatory capital or assets under management for a Clearing License, Eurex Clearing AG may allow that the shortfall may be made up by collateral in cash or securities accepted by Eurex Clearing AG. The cash and securities collateral shall safeguard compliance with the contractual obligations of the respective Clearing Member and with all other claims of Eurex Clearing AG vis-à-vis the respective Clearing Member in connection with the Clearing of its contracts (provision of collateral).

Securities collateral shall be posted by transfer of ownership for security purposes (*Eigentumsübertragung zu Sicherungszwecken*) into a custody account with Clearstream Banking AG ~~(in Xerox the relevant transfer is being effected by labelling the relevant Securities with "pledge" by way of Earmarking)~~, Clearstream Banking S.A. (also using with respect to accounts with Clearstream Banking AG and/or accounts with Clearstream Banking S.A. the Triparty Collateral Management Service CmaX of Clearstream Banking S.A. ("CmaX")) or SIX SIS AG.

Eurex Clearing AG may, in its reasonable discretion, decide that the Clearing Member may, for the purpose of transferring full title in such Securities, use securities accounts of a third party with Clearstream Banking AG or Clearstream Banking S.A. Number 3.6 shall apply accordingly.

(4) The applicant (other than an applicant that intends to become an OTC IRS U.S. Clearing Member) shall have available the following accounts:

(a) Securities Accounts:

(aa) for purposes of providing Margin in the form of Securities accordance with the Elementary Clearing Model Provisions:

- (i) a securities account or sub-account with Clearstream Banking AG, Clearstream Banking S.A. or with SIX SIS AG, pledged to Eurex Clearing AG with respect to Proprietary Margin in accordance with the Elementary Clearing Model Provisions (such account held by the Clearing Member, or, in accordance with Chapter I Part 1 Number 3.6, by a third party, the “Pledged Securities Account”), ~~unless the Clearing Member uses the Collateral Management System Xemac of Clearstream Banking AG (“Xemac”) to grant the pledges in accordance with Subpart A Number 4.3.2.2 of the Elementary Clearing Model Provisions in respect of Proprietary Margin, and~~
- (ii) one or more securities accounts or sub-accounts (including any subset of securities booked on an account and identified by a common identifier) with Clearstream Banking AG, Clearstream Banking S.A. or with SIX SIS AG, pledged to Eurex Clearing AG with respect to Omnibus Margin in accordance with the Elementary Clearing Model Provisions (each such account held by the Clearing Member, or, in accordance with Chapter I Part 1 Number 3.6, by a third party, an “Omnibus Pledged Securities Account”), ~~unless the Clearing Member uses Xemac to grant the pledges in accordance with Subpart A Number 4.3.2.2 of the Elementary Clearing Model Provisions in respect of Omnibus Margin;~~
- (bb) for purposes of providing Margin in the form of Securities pursuant to the ISA Provisions:
- (i) in case the Eligible Margin Assets in form of Securities shall be pledged in favour of Eurex Clearing AG: one or several securities accounts or sub-accounts (including any subset of securities booked on an account and identified by a common identifier) with Clearstream Banking AG, Clearstream Banking S.A. or with SIX SIS AG, for Securities pledged or to be pledged to Eurex Clearing AG with respect to Margin for the purposes of the ISA Provisions (each such account held by the Clearing Member, or, in accordance with Chapter I Part 1 Number 3.6, by a third party, an “ISA Pledged Securities Account”), ~~unless the Clearing Member uses Xemac to grant the pledges in accordance with Number 6.3.2.2 of the ISA Provisions in respect of Margin for the purposes of the ISA Provisions;~~
- (ii) in case the Eligible Margin Assets in the form of Securities shall be provided to Eurex Clearing AG by transferring title:
- (A) one or several securities accounts with Clearstream Banking AG for each of its Disclosed Direct Clients pursuant to the ISA Provisions and/or
- (B) a securities account with Clearstream Banking AG for several of its Disclosed Direct Clients pursuant to the ISA Provisions,

~~in each case if applicable and if the Clearing Member does not use Xemac in order to transfer title to the Securities which form part of the Margin pursuant to the ISA Provisions to Eurex Clearing AG; the Securities are attributed to the relevant Disclosed Direct Client, respectively, in the case of (A), by booking them into the securities account and in the case of (B), by booking them into the securities account and stating the specific customer identifier pursuant to Part 4 Number 3.6 (such account held by the Clearing Member, or, in accordance with Chapter I Part 1 Number 3.6, by a Third-Party CM Account Holder, the “ISA Securities Margin Account”); or~~

- (cc) one or more securities accounts or sub-accounts (including any subset of securities booked on an account and identified by a common identifier) with Clearstream Banking AG, Clearstream Banking S.A. or with SIX SIS AG, pledged to Eurex Clearing AG with respect to Omnibus Margin for ECM CASS Transactions in accordance with Part 2 Subpart D (each such account held by the Clearing Member, or, in accordance with Chapter I Part 1 Number 3.6, by a third party, a “CASS Omnibus Pledged Securities Account”); ~~unless the Clearing Member uses Xemac to grant the pledges in accordance with Subpart A Number 4.3.2.2 of the Elementary Clearing Model Provisions;~~
- (dd) one or more securities accounts or sub-accounts (including any subset of securities booked on an account and identified by a common identifier) with Clearstream Banking AG, Clearstream Banking S.A. or with SIX SIS AG, pledged to Eurex Clearing AG with respect to Margin for ISA CASS Transactions in accordance with Part 4 (each such account held by the Clearing Member, or, in accordance with Chapter I Part 1 Number 3.6, by a third party, an “ISA CASS Pledged Securities Account”); ~~unless the Clearing Member uses Xemac to grant the pledges in accordance with Number 6.3.2.2 Paragraph (3) of the ISA Provisions;~~
- ~~(ee) if the Clearing Member uses Xemac on the basis of the relevant applicable provisions of the Special Conditions for Collateral Management (“SC Xemac”), a securities account with Clearstream Banking AG with respect to which pledges are granted or title transfers effected with respect to Securities provided or to be provided as Margin by a respective labelling of the Securities in the system and modification of the bailment intention (*Bositzmittlungswille*) by Clearstream Banking AG in favour of Eurex Clearing AG (“Earmarking”); and~~
- (eeff) settlement securities accounts required for the Physical Delivery of Securities (including WP Credits and Swiss intermediated securities) for the relevant Transaction Types, which shall be maintained with a Settlement Location and which must be connected with a corresponding cash account.

The applicant is not required to maintain Securities Accounts pursuant to Paragraph (4) (a) (aa) to ~~(dde)~~ if and to the extent that it makes use of securities accounts of a Third-Party CM Account Holder in accordance with Number 3.6 or if it provides Margin in the form of cash only.

[...]

- (7) Eurex Clearing AG may, upon written application and upon submission of appropriate evidence, permit the applicant or a Clearing Member that the prerequisites for the granting of a Clearing License pursuant to Paragraph (4) (a) (~~eeff~~) above as well as – optionally – the prerequisites pursuant to Paragraph (5) (e) will be fulfilled by one or more settlement institutions on behalf of and for the applicant or the Clearing Member, respectively. The Clearing Member shall ensure that the appointed settlement institution(s) complies with the Clearing Conditions. Eurex Clearing AG is authorised to request at any time written evidence regarding the compliance with the Clearing Conditions in accordance with Sentence 1 and 2; the costs shall be borne by the Clearing Member. Eurex Clearing AG will provide the settlement institution with the relevant reports.

[...]

[...]

2.4 Specific Provisions for Clearing Agents and ISA Direct Clearing Members

[...]

2.4.1 Special prerequisites in respect of ISA Direct Clearing Members

[...]

- (2) With respect to each applicant for an ISA Direct Clearing License, the applicant shall procure that the following accounts are available (as applicable):

(a) Securities Accounts:

(aa) With respect to the Clearing of Transactions for ISA Direct Clearing Members and for purposes of granting pledges over the Securities that shall form part of the ISA Direct Margin to Eurex Clearing AG in accordance with the ISA Direct Provisions:

[...]

- (C) one securities account or sub-account of a third party acceptable to Eurex Clearing AG ("**Third Party Account Holder**") with Clearstream Banking AG or Clearstream Banking S.A., to which the pledges with respect to ISA Direct Margin in accordance with the ISA Direct Provisions relate; and/or

(D) such other securities account or sub-account as may be agreed between the applicant and Eurex Clearing AG

(each such account, sub-account or subset identified by a common identifier, an “**ISA Direct Pledged Securities Account**”), unless the ISA Direct Margin shall be provided by using an Accepted Collateral Management System.

“**Accepted Collateral Management System**” means CmaX, Xema~~c~~, the triparty collateral management service of SIX SIS (“**TCM SIX SIS**”) and any other collateral management system accepted by ECAG.

[...]

[...]

3 General Provisions regarding Margin and Variation Margin

[...]

3.2 Eligible Margin Assets and Valuation; Large Exposures

[...]

3.2.5 If

[...]

(2) Eurex Clearing AG determines that the sum of (i) any Remaining Margin Amounts in the Relevant Currencies and (ii) ~~any Prefunding Amounts paid to Eurex Clearing AG in the Relevant Currencies in accordance with Chapter VIII~~ that is held with a particular commercial bank (or group of connected commercial banks) exceeds or will exceed any large exposure limit with respect to such commercial bank (or group of connected commercial banks) and to which Eurex Clearing AG is subject pursuant to Art. 395 CRR or any other comparable regulatory requirement (the amount of such excess with respect to one or more commercial banks (or group(s) of connected commercial banks), the “**Relevant Currency Surplus**”),

then Eurex Clearing AG shall be entitled to take the following measures to enable Eurex Clearing AG to comply with the relevant large exposure limit pursuant to Art 395 CRR or any other comparable regulatory requirement:

(a) ~~(a)~~—Eurex Clearing AG may, with respect to Clearing Members and ISA Direct Clearing Members in respect of which an amount of Eligible Margin Assets in one or more of the Relevant Currencies in excess of the applicable margin requirement, Default Margin Requirement or Default ISA Direct Margin Requirement (as relevant) has been actually delivered to Eurex Clearing AG and has not been returned, repaid or applied (such excess in one or more of the Relevant Currencies, with respect to each such margin requirement, Default Margin Requirement or Default ISA Direct

Margin Requirement, a “**Currency Margin Excess**”), pay to each such Clearing Member and ISA Direct Clearing Member (without prior notice) an amount in one or more of the Relevant Currency up to the relevant Currencies Margin Excess (with the aggregate of such payments to all relevant Clearing Members and ISA Direct Clearing Members not exceeding the Relevant Currency Surplus).

If one or more Currency Margin Excesses exist with respect to more than one Clearing Member or ISA Direct Clearing Member, Eurex Clearing AG may distribute such payments (up to an aggregate of the Relevant Currency Surplus) across such Clearing Members and ISA Direct Clearing Members in its reasonable discretion (*billiges Ermessen*). When exercising such discretion, Eurex Clearing AG will take into account, *inter alia*, the amount of the relevant Currency Margin Excess of the relevant Clearing Members and ISA Direct Clearing Members and the absolute amount of Eligible Margin Assets in the form of cash in the Relevant Currencies provided by each such Clearing Member and ISA Direct Clearing Member. Any such payment shall discharge the corresponding Redelivery Claim of the receiving Clearing Member or ISA Direct Clearing Member.

[...]

[...]

3.6 Use of third-party securities accounts to provide Eligible Margin Assets in the form of Securities by way of pledges or by way of full title transfer

- (1) If the Clearing Member, pursuant to the applicable provisions of the Clearing Conditions, is required to provide Eligible Margin Assets in the form of Securities to Eurex Clearing AG by way of pledge or by way of full title transfer, Eurex Clearing AG may, in its reasonable discretion, decide that the Clearing Member may, for the purpose of granting such pledges or transferring full title in such Securities, use securities accounts of a third party with Clearstream Banking AG or Clearstream Banking S.A. (such third party, a “**Third-Party CM Account Holder**” and the decision to allow a specific Third-Party CM Account Holder a “**Third-Party CM Account Holder Permission**”).

[...]

[...]

6 Default Fund

[...]

6.1 Contributions to the Default Fund

[...]

6.1.2 Provision of the Contributions to the Default Fund

- (1) The Clearing Members and Clearing Agents shall provide the Contributions to the Default Fund in cash amounts and/or in Securities accepted by Eurex Clearing AG by way of a transfer of all rights, title and interest in respect of such cash amounts and/or Securities to Eurex Clearing AG using the security accounts with Clearstream Banking AG or Clearstream Banking S.A., unless otherwise specified below. ~~In Xemac the relevant transfer is effected by labelling the relevant Securities with "pledge" by way of Earmarking.~~
- (2) Eurex Clearing AG may, in its reasonable discretion, decide that the Clearing Member may, for the purpose of transferring full title in such Securities, use securities accounts of a third party with Clearstream Banking AG or Clearstream Banking S.A. Number 3.6 shall apply accordingly.

For Contributions provided in the form of cash amounts, Numbers 3.4.4 and 3.4.5 of these General Clearing Provisions apply *mutatis mutandis*, and for Contributions provided in the form of Securities, Part 4 Numbers 6.6.1, 6.6.2, and 6.6.4 apply *mutatis mutandis*.

[...]

- (5) With respect to Securities provided by the Clearing Member or the Clearing Agent to Eurex Clearing AG as CM Contributions or ISA Direct Clearing Member Contributions using securities accounts with Clearstream Banking AG ~~(including Xemac)~~ or Clearstream S.A., Eurex Clearing AG reserves the right to make use of such Securities in its discretion in order to support its operations as central counterparty for purposes of liquidity management in relation to its clearing activities by obtaining refinancing from the Eurosystem or entering into repo transactions with commercial counterparties.

The information statement set out in Appendix 12 to the Clearing Conditions in accordance with Article 15 of the Regulation on transparency of securities financing transactions and of reuse (Regulation (EU) 2015/2365) is applicable to Eurex Clearing AG and the Clearing Member or Clearing Agent, if the Clearing Member or Clearing Agent provides Securities to Eurex Clearing AG as CM Contributions or ISA Direct Clearing Member Contributions, respectively, using securities accounts with Clearstream Banking AG or Clearstream Banking S.A. ~~(including Xemac).~~

[...]

[...]

9 Termination Rules with respect to Eurex Clearing AG

[...]

- 9.3 The following events shall constitute a Failure to Pay Event or an Insolvency Event with respect to Eurex Clearing AG:

[...]

9.3.6 A “**Redelivery Default**” occurs if:

[...]

For the purposes of this Number 9.3.6, a performance will be considered not to have been made by Eurex Clearing AG (a) if no corresponding Securities have been credited to a securities account of the Clearing Member or of the ISA Direct Clearing Member (or of the Clearing Agent acting for the account of the relevant ISA Direct Clearing Member) or to a securities account of a depository, a settlement institution or a custodian designated by the Clearing Member or the ISA Direct Clearing Member (or the relevant Clearing Agent acting on behalf of the relevant ISA Direct Clearing Member) at a deposit bank or a central securities depository ~~or is not released in Xemac~~; or (b) if no corresponding amount has been credited to the relevant account of the relevant Clearing Member or the ISA Direct Clearing Member (or the Clearing Agent acting for the account of the relevant ISA Direct Clearing Member) or to an account of a correspondent bank designated by the Clearing Member or the ISA Direct Clearing Member (or the Clearing Agent acting on behalf of the relevant ISA Direct Clearing Member).

[...]

[...]

13 Termination of Clearing Agreements, Clearing Licenses, ISA Direct Clearing Licenses an Client-Related Standard Agreements; Market Disorders Event, Impossibility Event, Force Majeure Event

13.1 Termination of Clearing Agreements, Clearing Licenses and ISA Direct Clearing Licenses

[...]

13.1.6 Eurex Clearing AG or the Clearing Member may terminate an Omnibus Standard Agreement or ISA Standard Agreement (each a “**Client-Related Standard Agreement**”) at any time provided that all Transactions cleared under the relevant Client-Related Standard Agreement have been fully cancelled, closed or discharged prior to the termination. Such termination requires written notice to the Clearing Member or Eurex Clearing AG. The termination shall take effect 30 days after receipt of the termination notice. The Clearing Member shall inform any Direct Client, Indirect Client Market Participant and any other Indirect Client to which the relevant Client-Related Standard Agreement relates, without undue delay after the Clearing Member has either submitted or received the termination notice pursuant to this Number 13.1.6.

[...]

[...]

Part 2 Elementary Clearing Model Provisions

[...]

Part 2 Subpart A: General Elementary Clearing Model Provisions

[...]

4 Margin

[...]

4.3 Delivery of Eligible Margin Assets

[...]

4.3.2 Delivery of Eligible Margin Assets in the form of Securities

4.3.2.1 In order to provide Eligible Margin Assets in the form of Securities

[...]

- (1) The Clearing Member shall instruct Clearstream Banking AG, Clearstream Banking S.A. or SIX SIS AG in a timely manner to transfer the relevant Securities to the Pledged Securities Account, Omnibus Pledged Securities Account or CASS Omnibus Pledged Securities Account, as applicable, and authorizes Clearstream Banking AG, Clearstream Banking S.A. or SIX SIS AG to inform Eurex Clearing AG of such transfer. If the Clearing Member uses a securities account with a Third-Party CM Account Holder in accordance with Part 1 Number 3.6, the Clearing Member shall ensure that such Third-Party CM Account Holder provides the relevant instructions to Clearstream Banking AG or Clearstream Banking S.A. or that the Clearing Member is authorised to provide such instructions.

[...]

- 4.3.2.2 ~~Notwithstanding Number 4.3.2.1, a Clearing Member may also provide Eligible Margin Assets in the form of Securities as Margin by pledge by using Xemac on the basis of the SC Xemac. For such purpose, the creation of the pledge is effected by way of Earmarking. Only F~~for the provision of Proprietary Margin to Eurex Clearing AG via ~~Xemac-CmaX~~ and to the extent not provided otherwise in Chapter IV Part 2 Number 2.9, a Clearing Member may also use Securities which it has received as collateral – in accordance with Number 3.2 of the Terms and Conditions for Participation and Trading on Eurex Repo GmbH or the corresponding provision in the terms and conditions of another multilateral trading facility, if applicable – in relation to GC Pooling Repo transactions. Notwithstanding Number 4.3.2.1, a Clearing Member participating in

the trading of GC Pooling Repos and using ~~the Re-use related type of contract in CmaX Xema~~ may, upon request, provide Proprietary Margin in ~~Xema~~ CmaX also via the account of a settlement institution within the meaning of Chapter IV Part 1 Number 1.1.2 Paragraph 2 (b), ~~provided that such settlement institution is domiciled in Germany.~~

[...]

- 4.3.2.4 Pursuant to the relevant pledge agreement and subject to the provisions set out therein, each pledge granted by the Clearing Member to Eurex Clearing AG over Securities ~~(i)~~ which are or will be credited to the relevant Pledged Securities Account (or the relevant securities account with a Third-Party CM Account Holder used in accordance with Part 1 Number 3.6 for purposes of the Elementary Clearing Model Provisions) with Clearstream Banking AG ~~or (ii) in accordance with Number 4.3.2.2~~, includes a right of Eurex Clearing AG (that is conditional upon the occurrence of a Termination Event or an Insolvency Termination Event and a Clearing Member Termination Date) to appropriate one or more of such Securities (the “**Relevant Pledged Securities**”) and to make use of the Relevant Pledged Securities. The following provisions apply with respect to such appropriation and re-use right:

[...]

- 4.3.2.5 Number 4.3.2.4 applies *mutatis mutandis* with respect to each pledge granted by the Clearing Member to Eurex Clearing AG over Securities which are or will be credited to the relevant Omnibus Pledged Securities Account (or the relevant securities account with a Third-Party CM Account Holder used in accordance with Part 1 Number 3.6 for purposes of the Elementary Clearing Model Provisions and providing Omnibus Margin) with Clearstream Banking AG, provided that:

- (a) Eurex Clearing AG's right to appropriate the Relevant Pledged Securities and to make use of the Relevant Pledged Securities is conditional upon the occurrence of a Termination Event or an Insolvency Termination Event and a Termination with respect to the relevant Omnibus Standard Agreement (to which the relevant Securities were allocated pursuant to Number 4.4 at the time of such appropriation);
- (b) The redelivery claim of the Clearing Member upon the exercise of Eurex Clearing AG's appropriation right becomes due at the same time as the Difference Claim in relation to the relevant Omnibus Standard Agreement (to which the relevant Securities were allocated pursuant to Number 4.4 at the time of such appropriation);
- (c) References to the Difference Claim in Number 4.3.2.4 (2) shall be read as reference to the Difference Claim in relation to the relevant Omnibus Standard Agreement (to which the relevant Securities were allocated pursuant to Number 4.4 at the time of such appropriation); and
- (d) Eurex Clearing AG agrees not to exercise its appropriation right for the purpose of finally applying the relevant Securities to cover losses resulting from the default of another Clearing Member.

[...]

4.3.4 Actual Delivery and Aggregate Value

4.3.4.1 Subject to Number 3.2.2 Paragraph (2) and (3) of the General Clearing Provisions, the term “**actually delivered**” when used in the Elementary Clearing Model Provisions means at any time and with respect to an Eligible Margin Asset:

[...]

~~(iii) in the case of a delivery of an Eligible Margin Asset in the form of Securities pursuant to Number 4.3.2.2, the effectiveness of the pledge in Xemac (as described in Number 4.3.2.2), or~~

(iiiv) otherwise in the event of a set-off pursuant to Number 1.3 of the General Clearing Provisions and Number 7, the legal effectiveness of such set-off.

The term “**actual delivery**” shall be interpreted accordingly.

[...]

4.6 Redelivery of Margin in the form of cash; Release of Eligible Margin Assets in the form of Securities

[...]

4.6.2 Subject to the occurrence of a Clearing Member Termination Date or an Insolvency Event or Failure to Pay Event, Eligible Margin Assets in the form of Securities shall be released if a Clearing Member, prior to the then applicable cut-off time specified by Eurex Clearing AG with respect to each of Clearstream Banking AG, Clearstream Banking S.A. and SIX SIS AG, as applicable, with respect to any Business Day, requests a release of pledged Securities by Eurex Clearing AG if and to the extent that the requirements set out in Number 4.6.1 are met (taking into account a release request of the Clearing Member pursuant to this Number 4.6.2).

4.6.2.1 The release request pursuant to Number 4.6.2 shall be processed by Eurex Clearing AG during the same Business Day; the Eligible Margin Assets to be released shall be selected by the Clearing Member. ~~This shall also apply in the case of a pledge pursuant to Number 4.3.2.2 by way of Earmarking where the relevant Security shall be released in Xemac by detachment of the label or respective release in the system.~~ In the case CmaX is used Securities shall be released according to the applicable rules for that service.

[...]

4.6.2.2 The relevant pledge shall be released by Eurex Clearing AG if and as soon as

[...]

~~(b) in case of a pledge in Xemac by way of Earmarking in accordance with Number 4.3.2.2, the label has been detached or the Securities have been otherwise released in the system, or~~

(be) in case of a pledge in CmaX, the Securities have been released in accordance with the applicable rules for that service.

5 Variation Margin

5.1 Variation Margin Requirement

[...]

and in each case in accordance with Chapter VIII Part 2 Number 2.1.7, ~~Part 3 Number 3.1.7, Part 4 Number 4.1.7~~ or Part 5~~3~~ Number 5.1.7, as applicable.

[...]

5.4 Redelivery of Variation Margin

Subject to the occurrence of a Clearing Member Termination Date or an Insolvency Event or Failure to Pay Event, any Redelivery Claim with respect to Variation Margin (i) shall become due on any Business Day, if and to the extent that, on such Business Day, a profit amount has been determined in respect of the Proprietary Standard Agreement or with respect to the Client Transaction Accounts relating to the relevant Internal Omnibus Cash Account (as applicable) for the benefit of such Variation Margin Provider in accordance with Chapter VIII Part 2 Number 2.1.7, ~~Part 3 Number 3.1.7, Part 4 Number 4.1.7~~ or Part 5~~3~~ Number 5.1.7, as applicable, (the relevant amount shall be the “**Redelivery Amount**”) and (ii) shall be decreased and discharged accordingly (subject to a minimum value of zero) if and to the extent equivalent Eligible Margin Assets in form of cash have been actually delivered to the Variation Margin Provider by the Variation Margin Taker. For the avoidance of doubt, if the profit amount determined for the benefit of the Variation Margin Provider is higher than its relevant Redelivery Claim with respect to Variation Margin as of such time, the payment of the excess amount by the other party constitutes itself a delivery of Variation Margin. In such case the roles of the Variation Margin Provider and Variation Margin Taker will be reversed.

[...]

[...]

Part 4 Individual Segregated Account Provisions

[...]

6 Margin

[...]

6.3 Delivery and Booking of Eligible Margin Assets

[...]

6.3.2 Delivery of Eligible Margin Assets in the form of Securities

[...]

6.3.2.2 If the Clearing Member, with respect to the relevant Internal ISA Margin Account, has submitted a Security Interest Margin Election or if Margin in the form of Securities shall be provided with respect to ISA CASS Transactions,

[...]

- (1) The Clearing Member shall instruct Clearstream Banking AG, Clearstream Banking S.A. or SIX SIS AG in a timely manner to transfer the relevant Securities to the relevant ISA Pledged Securities Account or ISA CASS Pledged Securities Account and authorises Clearstream Banking AG, Clearstream Banking S.A. or SIX SIS AG to inform Eurex Clearing AG of such transfer. If the Clearing Member uses a securities account with a Third-Party CM Account Holder in accordance with Part 1 Number 3.6 for purposes of the ISA Provisions, the Clearing Member shall ensure that such Third-Party CM Account Holder provides the relevant instructions to Clearstream Banking AG or Clearstream Banking S.A. or that the Clearing Member is authorised to provide such instructions.
- (2) The Clearing Member will (in form and substance as required by Eurex Clearing AG) grant a pledge to Eurex Clearing AG over all Securities which are or will be credited to the relevant ISA Pledged Securities Account, the relevant ISA CASS Pledged Securities Account or the relevant securities account with a Third-Party CM Account Holder (used in accordance with Part 1 Number 3.6 for purposes of the ISA Provisions), as applicable.
- ~~(3) Notwithstanding Paragraphs (1) and (2) of this Number 6.3.2.2, a Clearing Member may also provide Eligible Margin Assets in the form of Securities as Margin by way of pledge by using Xemac on the basis of the SC Xemac. For such purpose, the creation of the pledge is effected by way of Earmarking.~~
- (34) To the extent required or expedient under its national laws, the Clearing Member will arrange for the due filing and registration with any relevant competent authority or

register of any security interest granted or to be granted pursuant to or in accordance with this Number 6.3.2 and will evidence the due filing and registration of such security interest to Eurex Clearing AG.

6.3.2.3 If the Clearing Member, with respect to the relevant Internal ISA Margin Account, has submitted a Title Transfer Margin Election, the following applies:

[...]

(2) In the case of a transfer of Eligible Margin Assets in the form of Securities by the Clearing Member to Eurex Clearing AG pursuant to Paragraph (1), the Clearing Member shall:

- (i) if such transfer is made through securities accounts with Clearstream Banking AG ~~(other than by using Xemac)~~, instruct ~~(or have instructed)~~ Clearstream Banking AG in a timely manner to transfer the relevant Securities to the ISA Securities Margin Account with Clearstream Banking AG and authorises ~~(or have authorised)~~ Clearstream Banking AG to inform Eurex Clearing AG of such transfer and to apply the customer identifier of the relevant Disclosed Direct Client in accordance with Number 3.6 (a “**CBF Instruction**”); and
- (ii) if such transfer is made through securities accounts of Eurex Clearing AG with Clearstream Banking S.A. (each account notified by Eurex Clearing AG to the Clearing Member for such purposes from time to time, a “**Eurex Clearing ISA Securities Margin Account**”), instruct Clearstream Banking S.A. in a timely manner to transfer all right, title and interest in and to the relevant Securities to the relevant Eurex Clearing ISA Securities Margin Account and apply the customer identifier of the relevant Disclosed Direct Client in accordance with Number 3.6 (a “**CBL Instruction**”).

[...]

(4) With respect to a transfer of Securities (i) to an ISA Securities Margin Account with Clearstream Banking AG or Clearstream Banking S.A. of which the Third-Party CM Account Holder is the account holder or (ii) on an ISA Securities Margin Account with Clearstream Banking S.A. held by the Clearing Member, the transfer shall be carried out in accordance with the provisions of Appendix 14.

[...]

(6) ~~The Clearing Member may provide Eligible Margin Assets or may have Eligible Margin Assets provided in the form of Securities by way of full title transfer in accordance with Paragraph (1) by using Xemac on the basis of the applicable SC Xemac. In that case the title transfer is being effected by a respective labelling of the Securities in the system (“appropriation”) and modification of the bailment intention (*Besitzmittlungswille*) by Clearstream Banking AG in favour of Eurex Clearing AG (“Earmarking”). With respect to a Xemac account of which the Clearing Member is the account holder, Paragraph (3) otherwise applies *mutatis mutandis*.~~

With respect to a ~~XemaC-CmaX~~ account (with Clearstream Banking AG or Clearstream Banking S.A.) of which the Third-Party CM Account Holder is the account holder, the transfer shall be carried out in accordance with the provisions of Appendix 14.

6.3.2.4 If the Clearing Member, with respect to the relevant Internal ISA Margin Account, has submitted a Security Interest Margin Election, then pursuant to the relevant pledge agreement and subject to the provisions set out therein, each pledge granted by the Clearing Member to Eurex Clearing AG over Securities which are or will be credited to the relevant ISA Pledged Securities Account (or the relevant securities account with a Third-Party CM Account Holder used in accordance with Part 1 Number 3.6 for purposes of the ISA Provisions) with Clearstream Banking AG, includes a right of Eurex Clearing AG (that is conditional upon the occurrence of a Termination Event or an Insolvency Termination Event and a Termination with respect to the relevant ISA Standard Agreement (for which the relevant Securities constituted Margin immediately prior to the appropriation)) to appropriate one or more of such Securities (the "**Relevant ISA Pledged Securities**") and to make use of the Relevant ISA Pledged Securities. The following provisions apply with respect to such appropriation and re-use right:

- (1) Eurex Clearing AG shall only be entitled to exercise such appropriation right and right of use to contain losses and liquidity pressures resulting from the default of the relevant Clearing Member.
- (2) If Eurex Clearing AG exercises such appropriation right in respect of any Relevant ISA Pledged Securities, the Clearing Member shall have a claim against Eurex Clearing AG for redelivery of securities that are equivalent to such Relevant ISA Pledged Securities; such redelivery claim shall become due at the same time the Difference Claim in relation to the relevant ISA Standard Agreement (for which the Relevant ISA Pledged Securities constituted Margin immediately prior to the appropriation) becomes due in accordance with Number 11.2, provided that, Eurex Clearing AG may, in its discretion, either (A) discharge such redelivery claim by transferring to the Clearing Member securities equivalent to such Relevant ISA Pledged Securities before the Difference Claim in relation to the relevant ISA Standard Agreement becomes due, (B) set off the value of such Relevant ISA Pledged Securities against the amount of the Difference Claim in relation to the relevant ISA Standard Agreement or (C) include the value of the Relevant ISA Pledged Securities in the determination of the Difference Claim in relation to the relevant ISA Standard Agreement (as a position in favour of the Clearing Member).
- (3) If Eurex Clearing AG receives, in relation to the Relevant ISA Pledged Securities with respect to which Eurex Clearing AG exercised its appropriation right, a payment of interest, dividends, or other distributions in the form of securities ("**Relevant Securities Income**"), or any payment of interest, dividends or other distribution in cash ("**Relevant Cash Income**"), Eurex Clearing AG shall transfer to the Clearing Member securities equivalent to and in the same value as the Relevant Securities Income and pay to the Clearing Member a cash amount equivalent to and in the same currency as the Relevant Cash Income, respectively. With respect to any

voting rights or elections in relation to corporate actions, which may arise from the Relevant ISA Pledged Securities and with respect to which Eurex Clearing AG exercised its appropriation right, the provisions of Number 6.6.4 shall apply *mutatis mutandis*.

- (4) Eurex Clearing AG agrees not to exercise its appropriation right for the purpose of finally applying the relevant Securities to cover losses resulting from the default of another Clearing Member.
- (5) The information statement set out in Appendix 12 of the Clearing Conditions in accordance with Article 15 of the Regulation on transparency of securities financing transactions and of reuse (Regulation (EU) 2015/2365) applies.

[...]

6.3.4 Actual Delivery and Aggregate Value

- 6.3.4.1 Subject to Number 3.2.2 Paragraph (2) and (3) of the General Clearing Provisions, the term “actually delivered” when used in the ISA Provisions means at any time and with respect to an Eligible Margin Asset:

[...]

- ~~(iii) in the case of a delivery of an Eligible Margin Asset in the form of Securities pursuant to Number 6.3.2.2 Paragraph (3), the effectiveness of the pledge in Xemac (as described in Number 6.3.2.2 Paragraph (3));~~
- ~~(iiiiv) with respect to an Eligible Margin Asset to which Number 6.3.2.3 applies, (i) the actual credit of an Eligible Margin Asset to a securities account designated by the Clearing Member, which in the case of Eurex Clearing AG shall be the relevant ISA Securities Margin Account or the relevant Eurex Clearing ISA Securities Margin Account, or, in the case of a delivery of an Eligible Margin Asset in the form of Securities pursuant to Number 6.3.2.3 Paragraph (5), the effectiveness of the title transfer in Xemac, or~~
- (iv) otherwise in the event of a set-off pursuant to Number 1.3 of the General Clearing Provisions and Number 12, the legal effectiveness of such set-off.

The term “actual delivery” shall be interpreted accordingly.

[...]

6.5 Redelivery of Margin in the form of cash or securities; Release of Eligible Margin Assets in the form of Securities

[...]

- 6.5.3 The redelivery or release request made in accordance with Number 6.5.1 or 6.5.2, respectively, shall be processed by Eurex Clearing AG during the same Business Day; the Eligible Margin Assets to be released shall be specified by the Clearing Member

in the redelivery or release request. ~~This shall also apply in the case of a pledge pursuant to Number 6.3.2.2 Paragraph (3) by way of Earmarking where the relevant Security shall be released in Xemac by detachment of the label or release in the system.~~ In the case CmaX is used, Securities shall be released according to the applicable rules for that service.

[...]

6.5.4 The release of the relevant pledge by Eurex Clearing shall become effective if and as soon as

(a) the relevant Securities have been credited to a securities account of the Clearing Member or to a securities account of a depositary, a settlement institution or a custodian designated by the Clearing Member at a deposit bank or a central securities depository; or

~~(b) in case of a pledge in Xemac by way of Earmarking in accordance with Number 6.3.2.2 Paragraph (3), the label has been detached or the Securities have been otherwise released in the system, or~~

(b) in case of a pledge in CmaX, the Securities have been released in accordance with the applicable rules for that service.

[...]

[...]

7 Variation Margin

7.1 Variation Margin Requirement

[...]

7.1.2 Eurex Clearing AG will calculate net variation margin requirements separately with respect to each relevant Internal ISA Cash Account, reflecting the sum of the calculations with respect to all ISA Transaction Accounts relating a certain Disclosed Direct Client, in accordance with Chapter VIII Part 2 Number 2.1.7 Paragraph (3) or Chapter VIII Part 35 Number 5.1.7, as applicable.

[...]

7.4 Redelivery of Variation Margin

Subject to the occurrence of a Clearing Member Termination Date or an Insolvency Event or Failure to Pay Event, any Redelivery Claim with respect to Variation Margin (i) shall become due on any Business Day, if and to the extent that, on such Business Day, a profit amount has been determined in respect of the ISA Transaction Accounts relating to the relevant Internal ISA Cash Account (as applicable) for the benefit of such Variation Margin Provider in accordance with Chapter VIII Part 2 Number 2.1.7 Paragraph (3) or

Chapter VIII Part 53 Number 5.1.7, as applicable, (the relevant amount shall be the “**Redelivery Amount**”) and (ii) shall be decreased and discharged accordingly (subject to a minimum value of zero) if and to the extent equivalent Eligible Margin Assets in form of cash have been actually delivered to the Variation Margin Provider by the Variation Margin Taker. For the avoidance of doubt, if the profit amount determined for the benefit of the Variation Margin Provider is higher than its relevant Redelivery Claim with respect to Variation Margin as of such time, the payment of the excess amount by the other party constitutes itself a delivery of Variation Margin. In such case the roles of the Variation Margin Provider and Variation Margin Taker will be reversed.

[...]

[...]

Part 6 ISA Direct Provisions

[...]

Part 6 Subpart A: General ISA Direct Provisions

[...]

7 ISA Direct Margin

[...]

7.6 Delivery of Eligible Margin Assets in the form of Securities

[...]

7.6.5 Pursuant to the relevant pledge agreement and subject to the provisions set out therein, each pledge granted by the ISA Direct Clearing Member to Eurex Clearing AG over Securities which are or will be credited to the relevant ISA Direct Pledged Securities Account (or the relevant securities account of the Clearing Agent or a Third Party Account Holder used for purposes of the ISA Direct Provisions) with Clearstream Banking AG, includes a right of Eurex Clearing AG (that is conditional upon the occurrence of an an ISA Direct Clearing Member Termination Event or an ISA Direct Clearing Member Insolvency Termination Event and an ISA Direct Clearing Member Termination Date) to appropriate one or more of such Securities (the “**Relevant ISA Direct Pledged Securities**”) and to make use of the Relevant ISA Direct Pledged Securities. The following provisions apply with respect to such appropriation and re-use right:

- (1) Eurex Clearing AG shall only be entitled to exercise such appropriation right and right of use to contain losses and liquidity pressures resulting from the default of the relevant ISA Direct Clearing Member.

- (2) If Eurex Clearing AG exercises such appropriation right in respect of any Relevant ISA Direct Pledged Securities, the ISA Direct Clearing Member shall have a claim against Eurex Clearing AG for redelivery of securities that are equivalent to such Relevant ISA Direct Pledged Securities; such redelivery claim shall become due at the same time the Difference Claim in relation to the relevant ISA Direct Standard Agreement (for which the Relevant ISA Direct Pledged Securities constituted ISA Direct Margin immediately prior to the appropriation) becomes due in accordance with Number 10.6.2, provided that, Eurex Clearing AG may, in its discretion, either (A) discharge such redelivery claim by transferring to the ISA Direct Clearing Member securities equivalent to such Relevant ISA Direct Pledged Securities before the Difference Claim in relation to the relevant ISA Direct Standard Agreement becomes due, (B) set off the value of such Relevant ISA Direct Pledged Securities against the amount of the relevant Difference Claim or (C) include the value of the Relevant ISA Direct Pledged Securities in the determination of the relevant Difference Claim (as a position in favour of the ISA Direct Clearing Member).
- (3) If Eurex Clearing AG receives, in relation to the Relevant ISA Direct Pledged Securities with respect to which Eurex Clearing AG exercised its appropriation right, a payment of interest, dividends, or other distributions in the form of securities (“**Securities Income**”), or any payment of interest, dividends or other distribution in cash (“**Cash Income**”), Eurex Clearing AG shall transfer to the ISA Direct Clearing Member securities equivalent to and in the same value as the relevant Securities Income and pay to the ISA Direct Clearing Member a cash amount equivalent to and in the same currency as the relevant Cash Income, respectively. With respect to any voting rights or elections in relation to corporate actions, which may arise from the Relevant ISA Direct Pledged Securities and with respect to which Eurex Clearing AG exercised its appropriation right, the provisions of Part 4 Number 6.6.4 shall apply *mutatis mutandis*.
- (4) The information statement set out in Appendix 12 of the Clearing Conditions in accordance with Article 15 of the Regulation on transparency of securities financing transactions and of reuse (Regulation (EU) 2015/2365) applies.

[...]