

Chapter I of the Clearing Conditions of Eurex Clearing AG

General Provisions

As of 01.05.2023

AMENDMENTS ARE MARKED AS FOLLOWS:

INSERTIONS ARE UNDERLINED;

DELETIONS ARE CROSSED OUT

[...]

Part 1 General Clearing Provisions

[...]

7 Termination Rules with respect to the Clearing Member

[...]

[...]

7.5 Default Management Process

[...]

[...]

7.5.2 DM Hedging Transactions

[...]

(2) Hedging Auctions

[...]

(viii) Residual Hedging Auction Settlement

- (a) If during a Hedging Auction only some (but not all) Hedging Auction Units have been successfully auctioned in accordance with the DM Auction Rules (each Hedging Auction Unit which has not been so auctioned a "**Residual Hedging Auction Unit**"), Eurex Clearing AG shall offer to each Non-Bidding Hedging Auction Participant to enter with Eurex Clearing AG into the Pro Rata Share of the DM Hedging Transactions of the relevant Residual Hedging Auction Units without undue delay after the Hedging Auction, at its Hedging Auction Pro Rata Share of the highest Auction Price (as defined in the DM Auction Rules) for any Hedging Auction Unit that was accepted by Eurex Clearing AG for an Hedging Auction Unit in

the respective Hedging Auction (the “**Residual Hedging Auction Unit Price**”).

The “**Hedging Auction Pro Rata Share**” of a Non-Bidding Hedging Auction Participant shall be the ratio of (A) the Residual Hedging Auction Units for which the Non-Bidding Hedging Auction Participant provided an invalid or no Mandatory Hedging Bid in the relevant Hedging Auction and (B) the total number of valid Mandatory Hedging Bids which all Non-Bidding Hedging Auction Participants failed to provide in the relevant Hedging Auction.

- (b) If after the offer in accordance with Paragraph (a) Residual Hedging Auction Units are still remaining, Eurex Clearing AG may offer any remaining Residual Hedging Auction Units to each Non-Bidding Hedging Auction Participant at a price determined by Eurex Clearing AG on the basis of the then prevailing market conditions.
- (c) If a Non-Bidding Hedging Auction Participant accepts any offer pursuant to Paragraph (a) or (b) (each a “**Residual Hedging Auction Settlement**”), a DM Hedging Auction shall be established between Eurex Clearing AG and such Clearing Member based on the economic details agreed between them. Upon the establishment of the DM Hedging Transaction pursuant to the preceding sentence, the Contributions of such Clearing Member shall not be juniorised pursuant to Paragraph (vii) above.

If the Residual Hedging Auction Settlement results in a split of the relevant DM Auction Transactions in accordance with the relevant Hedging Auction Pro Rata Share of any Non-Bidding Hedging Auction Participant, Eurex Clearing AG shall, in its reasonable discretion, be entitled to round up the Hedging Auction Pro-Rata Share of such Non-Bidding Hedging Auction Participant and to accordingly allocate DM Hedging Transactions to such Non-Bidding Hedging Auction Participant as part of the Residual Hedging Auction Settlement. If all Non-Bidding Hedging Auction Participants have accepted the offers submitted by Eurex Clearing AG pursuant to Paragraphs (a) and (b) and if Eurex Clearing AG is not able to allocate DM Hedging Transactions to all of such Non-Bidding Hedging Auction Participants due to the rounding up of any Hedging Auction Pro-Rata Shares, the Contributions of all Non-Bidding Hedging Auction Participants, which have accepted an offer, shall not be juniorised pursuant to Paragraph (vii) above.

Eurex Clearing AG shall use best efforts to find a fair and proportionate (*verhältnismäßig*) distribution of the DM Hedging Transactions between the relevant Non-Bidding Hedging Auction Participants.

Each Non-Bidding Hedging Auction Participant is required to take all such steps, to make all further statements and to comply with all such formalities

as may be reasonably required or desirable to perfect or more fully evidence the Residual Hedging Auction Settlement made.

- (ix) In addition to the Residual Hedging Auction Settlement, eEach Non-Bidding Hedging Auction Participant shall have the option to partly or fully remedy the juniorisation of its Contribution pursuant Paragraph (vii) above, by providing the winning Bid (in accordance with the DM Auction Rules) in DM Auctions to which the Non-Bidding Hedging Auction Participant was invited by Eurex Clearing AG as Mandatory Participant (“**Remedied Juniorised Hedging Contribution**”).

[...]

- (ix) If a Hedging Auction Participant provides a winning Mandatory Hedging Bid in a Hedging Auction as determined by Eurex Clearing AG in accordance with the DM Auction Rules (“**Winning Hedging Auction Participant**”), the Contributions of such Winning Hedging Auction Participant shall be partly or fully seniorised (“**Seniorised Hedging Contributions**”).

[...]

- (xi) If the applicable Auction Format (as defined in the DM Auction Rules) is “Multi Unit – Pay as you bid” or “Single Unit – Pay as you bid in accordance with the DM Auction Rules, Eurex Clearing AG shall, with respect to any particular Auction Unit, be obliged to accept the highest valid bid.

7.5.3 Establishment of Transactions by way of independent trades or by conducting DM Auctions

[...]

(3) General Provisions

[...]

- (ii) A Mandatory Participant shall be obliged to participate in DM Auctions in accordance with the DM Auction Rules.

“**Mandatory Participant**” means each Clearing Member

[...]

- (iii) with respect to which within 3 months prior to the relevant Termination, ISA Direct Clearing Member Termination or FCM Clearing Member Termination Time at least one Transaction or at least one ISA Direct Transaction of an ISA Direct Clearing Member (other than an ISA Direct Indemnified Clearing Member (~~as defined in Subpart B of the ISA Direct Provisions~~)) that qualifies as an Affected ISA Direct Clearing Member) of such Clearing Member (acting as Clearing Agent) has been booked on a

respective account, which corresponds to these Transaction Types comprised in the relevant Liquidation Group, and

[...]

[...]

- (v) A Mandatory Participant that does not submit a Mandatory Bid or does not submit a valid Mandatory Bid for an Auction Unit (in respect of all its capacities as a Clearing Member and a Clearing Agent, as applicable) during such DM Auction qualifies with respect to the relevant Liquidation Group, to which the DM Auction relates, as “**CM Non-Bidding Participant**”.

[...]

- (d) Residual Settlement

[...]

- (cc) If a CM Non-Bidding Participant accepts any offer under (aa) or (bb) (each a “**Residual Settlement**”), a DM Auction Transaction shall be established between Eurex Clearing AG and such CM Non-Bidding Participant based on the economic details agreed between them. Upon the establishment of the DM Auction Transaction pursuant to the preceding sentence, no contractual penalty pursuant to Paragraph (a) and (c) above shall be payable by such CM Non-Bidding Participant, provided that any contractual penalty pursuant to Paragraph (a) and (c) above which has already been received by Eurex Clearing AG from such CM Non-Bidding Participant shall not be re-paid by Eurex Clearing AG.

If the Residual Settlement results in a split of the relevant DM Auction Transactions in accordance with the relevant Pro Rata Share of any CM Non-Bidding Participant, Eurex Clearing AG shall, in its reasonable discretion, ~~be entitled to allocate rumps to CM Non-Bidding Participants as part of a Residual Settlement.~~ be entitled to round up the Pro-Rata Share of such CM Non-Bidding Participant and to accordingly allocate DM Auction Transactions to such CM Non-Bidding Participant as part of the Residual Settlement. If all CM Non-Bidding Participants have accepted the offers submitted by Eurex Clearing AG pursuant to Paragraphs (aa) and (bb) and if Eurex Clearing AG is not able to allocate DM Auction Transactions to all of such CM Non-Bidding Participants due to the rounding up of any Pro-Rata Share, all CM Non-Bidding Participants, which have accepted an offer, shall not be obliged to pay a contractual penalty pursuant to Paragraph (a) and (c) above.

Eurex Clearing AG shall use best efforts to find a fair and proportionate (*verhältnismäßig*) distribution of the DM Auction Transactions between the relevant CM Non-Bidding Participants.

[...]

[...]
