

Chapter IV of the Clearing Conditions of Eurex Clearing AG

Clearing of Repo Transactions

As of 13.11.2020

AMENDMENTS ARE MARKED AS FOLLOWS:
INSERTIONS ARE UNDERLINED,
DELETIONS ARE CROSSED OUT.

Part 1 **General Provisions**

[...]

1.1 **Clearing Licenses**

[...]

1.1.2 **Prerequisites for Clearing Licenses**

[...]

(2) The applicant shall meet the following additional requirements:

[...]

(b) ~~in the event of participation in the~~ if the applicant intends to clear GC Pooling repo transactions with Eurex Clearing AG (each a “**GC Pooling Repo Transaction**”),

~~—(aa) —evidence~~ of the participation admission and technical connection to the Collateral Management System Xemac of Clearstream Banking AG (“**Xemac**”), including the possibility of participation in the international Collateral Management, i.e. (i)

~~—aa) —~~ either via own participation authorisation in Xemac,

~~—bb) —~~ (ii) via a respective agreement with another settlement institute which is authorised to participate in Xemac, or (iii)

~~—cc) —~~ in case of Basic Clearing Members only, via their Clearing Agent, and-

(bb) -if Eurex Clearing AG required a GC Pooling USD Cash Margin Contribution from the applicant in accordance with Chapter I Part 2 Subpart B Number 5.3, compliance with the applicable GC Pooling USD Cash Margin Contribution requirement.

[...]

[...]

Part 2 Clearing of Repo Transactions

[...]

2.11 Termination of GC Pooling Repo Transactions denominated in USD

- (1) If a Clearing Member does not comply with an applicable GC Pooling USD Cash Margin Contribution requirement, Eurex Clearing AG may in its reasonable discretion (*billiges Ermessen*) by giving notice to the Clearing Member terminate and settle in cash one or more GC Pooling Repo Transactions (denominated in USD) the Clearing Member has entered into after it has received the GC Pooling USD Cash Margin Contribution notice.
- (2) In order to hedge the effects of the GC Pooling Repo Transactions terminated under application of Paragraph (1), Eurex Clearing AG may in its equitable discretion (*billiges Ermessen*) enter into transactions that are – taken as a whole – equivalent to the terminated transactions by entering into independent trades or by holding one or more auctions. The Clearing Member that has not complied with an applicable GC Pooling USD Cash Margin Contribution requirement shall bear the costs of such replacement transactions, unless it is not responsible for its non-compliance.

[...]
