

Chapter I of the Clearing Conditions of Eurex Clearing AG

General Provisions

As of 05.03.2018

	Eurex04e
Clearing Conditions of Eurex Clearing AG	05.03.2018
	Page 2

AMENDMENTS ARE MARKED AS FOLLOWS:

INSERTIONS ARE UNDERLINED,

DELETIONS ARE CROSSED OUT.

[...]

Part 1 General Clearing Provisions

1 General Rules

[...]

1.2.4 Certain Definitions and Interpretation

[...]

- (3) The terms “**Margin**” or “**Variation Margin**”, “**Proprietary Margin**” or “**Proprietary Variation Margin**” and “**Omnibus Margin**” or “**Omnibus Variation Margin**” shall have the meaning given to such terms in the Elementary Clearing Model Provisions, the terms “**Segregated Margin**” or “**Segregated Variation Margin**” shall have the meaning given to such terms in the Individual Clearing Model Provisions, the terms “**OTC IRS FCM Client Margin**” or “~~OTC IRS FCM Client Variation Margin~~” shall have the meaning given to such terms in the U.S. Clearing Model Provisions and the terms “**Basic Clearing Member Margin**” or “**Basic Clearing Member Variation Margin**” shall have the meaning given to such terms in the Basic Clearing Member Provisions, provided that (i) “**Margin**” shall refer to “**Proprietary Margin**”, “**Omnibus Margin**”, “**Segregated Margin**”, “**OTC IRS FCM Client Margin**” or “**Basic Clearing Member Margin**” and (ii) “**Variation Margin**” shall refer to “**Proprietary Variation Margin**” and “**Omnibus Variation Margin**”, “**Segregated Variation Margin**”, “~~OTC IRS FCM Client Variation Margin~~” or “**Basic Clearing Member Variation Margin**”, respectively, in the General Clearing Provisions and the Special Clearing Provisions where the context so provides or requires.

[...]

	Eurex04e
Clearing Conditions of Eurex Clearing AG	05.03.2018
	Page 3

6.5 Interpretation

(Further) Contributions do not form part of the Margin, Variation Margin, Segregated Margin, Segregated Variation Margin, Net Omnibus Margin, Net Omnibus Variation Margin, OTC IRS FCM Client Margin, ~~OTC IRS FCM Client Variation Margin~~, Basic Clearing Member Margin or Basic Clearing Member Variation Margin and a claim of a Clearing Member or Clearing Agent against Eurex Clearing AG to return (Further) Contributions does not form part of the applicable single agreement pursuant to Subpart B Number 4 and Subpart C Number 5 of the Elementary Clearing Model Provisions, Subpart A Number 2.1.3 of the Individual Clearing Model Provisions, Number 2.1.2 of the U.S. Clearing Model Provisions or Number 4.1.2 of the Basic Clearing Member Provisions.

[...]

7.1 Construction and Interpretation

[...]

7.1.4 If and to the extent that the U.S. Clearing Model Provisions apply, references in this Number 7 to “**Transactions**” or; “**Margin**” or; “~~Variation Margin~~” shall refer respectively to the terms “**OTC IRS FCM Client Transactions**” or; “**OTC IRS FCM Client Margin**” and “~~OTC IRS FCM Client Variation Margin~~” as defined in the U.S. Clearing Model Provisions.

[...]

Part 2 Elementary Clearing Model Provisions

[...]

Part 2 Subpart A: General Elementary Clearing Model Provisions

[...]

5 Variation Margin

5.1 Variation Margin Requirement

Each of Eurex Clearing AG and the Clearing Member shall be required to transfer (additional) cover in respect of daily profits or losses for ECM Transactions (Variation Margin). Only Eligible Margin Assets in the form of cash shall be delivered as cover in respect of Variation Margin.

Eurex Clearing AG will calculate net variation margin requirements separately with respect to

	Eurex04e
Clearing Conditions of Eurex Clearing AG	05.03.2018
	Page 4

- (a) the relevant Internal Proprietary Cash Account for all Own Transactions of a Clearing Member (to be provided in accordance with Subpart B Number 6) and
- (b) each relevant Internal Omnibus Cash Account reflecting the sum of the calculations with respect to all Client Transaction Accounts of such Clearing Member in accordance with Subpart C Number 7 that relate to such Internal Omnibus Cash Account,

and in each case in accordance with Chapter II Part 2 Number 2.1.2 Paragraph (1) and (2), Chapter II Part 3 Number 3.2.3 Paragraph (1), Number 3.3.3 Paragraph (1) or Chapter VIII Part 2 Number 2.1.76, as applicable.

The aggregate net amount of Eligible Margin Assets in the form of cash to be delivered as cover in respect of Variation Margin shall, in each case of (a) and (b), be a “**Variation Margin Requirement**”. The party obliged to provide Variation Margin shall be the “**Variation Margin Provider**” and the party entitled to request Variation Margin shall be the “**Variation Margin Taker**”.

[...]

5.4 Redelivery of Variation Margin

Subject to the occurrence of a 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 II Part 2 Number 2.1.2 Paragraph (1) and (2), Chapter II Part 3 Number 3.2.3 Paragraph (1), Number 3.3.3 Paragraph (1) or Chapter VIII Part 2 Number 2.1.76, 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 3 The Individual Clearing Model Provisions

[...]

Part 3 Subpart A: General Provisions for ICM-ECD and ICM-CCD

	Eurex04e
Clearing Conditions of Eurex Clearing AG	05.03.2018
	Page 5

[...]

6 Segregated Variation Margin

6.1 General Obligation to provide Segregated Variation Margin

Each party to the relevant Standard Agreement between Eurex Clearing AG and the Clearing Member shall be required to transfer (additional) cover in respect of daily profits or losses for such Covered Transactions for which Chapter II Part 2 Number 2.1.2 Paragraph (1) and (2), Chapter II Part 3 Number 3.2.3 Paragraph (1), Number 3.3.3 Paragraph (1) and Chapter VIII Part 2 Number 2.1.76 Paragraph (3), as applicable, apply in such amounts and at such times as are required pursuant to this Number 6. Any such cover provided or to be provided with respect to the relevant Standard Agreement is herein referred to as “**Segregated Variation Margin**”).

6.2 Segregated Variation Margin Requirement

Only Eligible Margin Assets in the form of cash shall be delivered as cover in respect of Segregated Variation Margin. The party to the relevant Standard Agreement obliged to provide Segregated Variation Margin (the “**Segregated Variation Margin Provider**”), to the other party to such Standard Agreement (the “**Segregated Variation Margin Taker**”), and the amount of Eligible Margin Assets in form of cash to be delivered as cover in respect of Segregated Variation Margin (the “**Segregated Variation Margin Requirement**”) shall be determined in accordance with Chapter II Part 2 Number 2.1.2 Paragraph (1) and (2), Chapter II Part 3 Number 3.2.3 Paragraph (1), Number 3.3.3 Paragraph (1) and Chapter VIII Part 2 Number 2.1.76 Paragraph (3), as applicable.

6.3 Delivery of Segregated Variation Margin and Redelivery Claim

Segregated Variation Margin shall be delivered and/or returned on any Business Day in accordance with the daily cash clearing procedure pursuant to Number 1.4.1 of the General Clearing Provisions.

Eligible Margin Assets actually delivered in the form of cash in respect of the Segregated Variation Margin by the Segregated Variation Margin Provider will give rise to or increases a Redelivery Claim of such party against the Segregated Variation Margin Taker in accordance with Number 2.2.3. Any such Redelivery Claim (i) shall become due if and to the extent that on any subsequent Business Day a profit amount has been determined for the benefit of such Segregated Variation Margin Provider in accordance with Chapter II Part 2 Number 2.1.2 Paragraph (1) and (2), Chapter II Part 3 Number 3.2.3 Paragraph (1), Number 3.3.3 Paragraph (1) and Chapter VIII Part 2 Number 2.1.76 Paragraph (3), as applicable, (the applicable amount shall be the “**Redelivery Amount**”) and (ii) shall be decreased and fulfilled 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 it by the Segregated Variation Margin Taker. For the avoidance of doubt, if the profit amount determined for the benefit of the Segregated Variation Margin Provider is higher than its Redelivery Claim as of such time, the payment of the excess amount by the other party constitutes itself a delivery of

	Eurex04e
Clearing Conditions of Eurex Clearing AG	05.03.2018
	Page 6

Segregated Variation Margin and the relevant party to the Standard Agreement being the Segregated Variation Margin Provider or the Segregated Variation Margin Taker shall change.

[...]

Part 4 U.S. Clearing Model Provisions

[...]

2 Content of Clearing Agreement and OTC IRS FCM Client Standard Agreement

[...]

2.1.2 All rights and obligations between Eurex Clearing AG and the OTC IRS FCM Client with respect to OTC IRS FCM Client Transactions under the Clearing Agreement pursuant to Number 2.1.1 shall constitute a separate arrangement (each such arrangement a “**OTC IRS FCM Client Standard Agreement**”). All OTC IRS FCM Client Transactions and all Redelivery Claims between Eurex Clearing AG and the relevant OTC IRS FCM Client arising pursuant to the U.S. Clearing Model Provisions under the relevant OTC IRS FCM Client Standard Agreement form a single agreement between the parties and such agreement constitutes a separate master agreement (*Rahmenvertrag*) between such parties which (subject to provisions in this Chapter I on the termination of individual OTC IRS FCM Client Transactions and subject to the provisions of this Part 4 stipulating specific requirements for terminations) can be terminated only in its entirety.

OTC IRS FCM Client Transactions, OTC IRS FCM Client Margin, ~~OTC IRS FCM Client Variation Margin~~, Redelivery Claims and any other rights and obligations under each OTC IRS FCM Client Standard Agreement relating to the relevant OTC IRS FCM Client will be separate from:

- (a) all OTC IRS FCM Client Transactions, OTC IRS FCM Client Margin, ~~OTC IRS FCM Client Variation Margin~~, any Redelivery Claims, and any other rights and obligations under any other OTC IRS FCM Client Standard Agreement relating to any other OTC IRS FCM Client (if any),
- (b) all Own Transactions, Margin, ~~Variation Margin~~, any Redelivery Claims and any other rights and obligations under the Proprietary Standard Agreement of the OTC IRS FCM Clearing Member with Eurex Clearing AG, and
- (c) all other Standard Agreements, Transactions, Margin, Variation Margin, Redelivery Claims and any other rights and obligations under the Elementary Clearing Model Provisions, the Individual Clearing Model Provisions and the Basic Clearing Member Provisions.

[...]

	Eurex04e
Clearing Conditions of Eurex Clearing AG	05.03.2018
	Page 7

2.2 **General principles applicable to the settlement of OTC IRS FCM Client Transactions and any Delivery and Redelivery of OTC IRS FCM Client Margin** ~~or OTC IRS FCM Client Variation Margin~~

2.2.1 Subject to Numbers 1.6.5 and 1.6.6, each party to the OTC IRS FCM Client Standard Agreement (and, with respect to any obligations of the OTC IRS FCM Client, the relevant OTC IRS FCM Clearing Member pursuant to the OTC IRS FCM Clearing Member Guarantee) shall be obliged to fulfil any payment obligations under the OTC IRS FCM Client Transactions or obligations to deliver or redeliver cover in respect of ~~either the OTC IRS FCM Client Margin in the form of cash or the OTC IRS FCM Client Variation Margin~~ under the relevant OTC IRS FCM Client Standard Agreement by transferring to the transferee all right, title and interest in and to the Eligible Margin Assets in the form of cash free and clear of any and all rights and claims of the transferring party and of any third person, howsoever arising, including, without limitation, pursuant to applicable law or regulation or under any statutory or other trust. The value of such assets shall, as of the date the transfer is effected, be at least equal to the value at that date of the concerned payment or delivery obligation.

2.2.2 The actual payment of Eligible Margin Assets in the form of cash in respect of OTC IRS FCM Client Margin ~~or OTC IRS FCM Client Variation Margin~~ gives rise to a corresponding contractual claim of the margin provider against the margin taker for repayment of equivalent assets in the same amount as such Eligible Margin Assets actually delivered (or increases an already existing repayment or redelivery claim; each such claim shall be referred to as a **“Redelivery Claim”**). Each such Redelivery Claim shall be allocated to the relevant OTC IRS FCM Client Standard Agreement.

In the case of OTC IRS FCM Client Margin in the form of cash, only the OTC IRS FCM Client may be the creditor of the relevant Redelivery Claim ~~and in the case of OTC IRS FCM Client Variation Margin, Eurex Clearing AG or the OTC IRS FCM Client may be the creditor of the relevant Redelivery Claim.~~

For the purpose of the relevant Redelivery Claim, the term **“equivalent”** means the same amount in the same currency as such Eligible Margin Assets actually delivered in respect of the OTC IRS FCM Client Margin ~~or the OTC IRS FCM Client Variation Margin.~~

A Redelivery Claim will become due with respect to ~~(i)~~ OTC IRS FCM Client Margin in the form of cash (a) upon receipt of a respective declaration from the OTC IRS FCM Clearing Member (on behalf of the OTC IRS FCM Client) by Eurex Clearing AG prior to the then applicable cut-off time of any Business Day, as specified by Eurex Clearing AG on its website www.eurexclearing.com for cash with respect to the relevant currency and if and to the extent the relevant applicable Default OTC IRS FCM Client Margin Requirement (as defined in Number 5.2) is below the aggregate value of all Eligible Margin Assets actually delivered in respect of the OTC IRS FCM Client Margin or (b) in accordance with Number 5.3.1 Paragraph (3) ~~and (ii) with respect to the OTC IRS FCM Client Variation Margin in accordance with Number 6, in each case~~ provided that no OTC IRS FCM Client Termination Date or Termination Date has occurred with respect to the OTC IRS FCM Client or its OTC IRS FCM Clearing Member, respectively.

	Eurex04e
Clearing Conditions of Eurex Clearing AG	05.03.2018
	Page 8

- 2.2.3 Subject to Number 3.2.2 Paragraph (2) and (3) of the General Clearing Provisions, the term “**actually delivered**” when used in the U.S. Clearing Model Provisions means
- (i) the actual credit of an Eligible Margin Asset in the form of cash to the relevant Eurex Clearing AG cash account or, as the case may be, the actual entry on the Internal OTC IRS FCM Client Margin Account pursuant to Number 5.3.1 Paragraph (3), or
 - (ii) an Eligible Margin Asset in the form of Securities has been credited to the relevant OTC IRS FCM Client Pledged Securities Account and such Eligible Margin Asset is subject to a valid pledge in accordance with Number 5.7.1 Paragraph (3), or
 - (iii) in the event of a set-off pursuant to Number 4, the legal effectiveness of such set-off.

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

Where reference is made in the U.S. Clearing Model Provisions to the “**aggregate value**” of Eligible Margin Assets in connection with the assessment of compliance with the Default OTC IRS FCM Client Margin Requirement or an obligation to deliver or redeliver cover in respect of the OTC IRS FCM Client Margin ~~or the OTC IRS FCM Client Variation Margin, as applicable~~, the aggregate value will be determined by Eurex Clearing AG in accordance with Number 3.2.2 of the General Clearing Provisions.

2.3 **Obligation of the OTC IRS FCM Clearing Member to forward Assets**

Whenever (a) the OTC IRS FCM Clearing Member has received from Eurex Clearing AG a cash amount to settle an OTC IRS FCM Client Transaction, (b) the OTC IRS FCM Clearing Member has received from Eurex Clearing AG Eligible Margin Assets in the form of cash to deliver or redeliver cover in respect of OTC IRS FCM Client Margin ~~or OTC IRS FCM Client Variation Margin~~ under the relevant OTC IRS FCM Client Standard Agreement or (c) a pledge over Eligible Margin Assets in the form of Securities that have been provided as OTC IRS FCM Client Margin to Eurex Clearing AG has lapsed or has been released, the OTC IRS FCM Clearing Member shall – always subject to Number 5.3.1 Paragraph (3) and any applicable termination provisions (including, without limitation, Number 8.1) – promptly transfer the same cash amount or the same amount of equivalent Eligible Margin Assets to the relevant OTC IRS FCM Client or credit such cash amount or such amount of equivalent Eligible Margin Assets to the OTC IRS FCM Client in the books and records of the OTC IRS FCM Clearing Member. The same applies with respect to a redelivery of non-Eligible Margin Assets.

Whenever the OTC IRS FCM Clearing Member has received an amount of Eligible Margin Assets from the OTC IRS FCM Client for delivery of cover in respect of OTC IRS FCM Client Margin ~~or OTC IRS FCM Client Variation Margin~~ under the relevant OTC IRS FCM Client Standard Agreement to Eurex Clearing AG, the OTC IRS FCM Clearing Member shall promptly transfer (or, in the case of Securities, pledge) the same amount of equivalent Eligible Margin Assets to Eurex Clearing AG as OTC IRS FCM Client Margin ~~or OTC IRS FCM Client Variation Margin, as relevant~~, in respect of the OTC IRS FCM Client Standard Agreement of such OTC IRS FCM Client.

	Eurex04e
Clearing Conditions of Eurex Clearing AG	05.03.2018
	Page 9

[...]

3.2 Internal Cash Accounts for OTC IRS FCM Client Transactions

With respect to each currency accepted by it, Eurex Clearing AG shall establish and maintain for each OTC IRS FCM Client of the OTC IRS FCM Clearing Member one internal cash account for the settlement of claims, into which all daily settlement payments, fees and other cash payment obligations arising under OTC IRS FCM Client Transactions or under the Clearing Conditions with respect or relating to the relevant OTC IRS FCM Client Standard Agreement shall be booked.

The daily balance of each internal cash account (after taking into account the set-offs pursuant to the Clearing Conditions) shall be debited or credited, as the case may be, to the respective OTC IRS U.S. Clearing Member Cash Account of the OTC IRS FCM Clearing Member to the extent that Eurex Clearing AG does not claim any credit balance in such account as OTC IRS FCM Client Margin ~~or OTC IRS FCM Client Variation Margin~~.

[...]

3.4 Records of the OTC IRS FCM Clearing Member; Method of assigning Eligible Margin Assets to an OTC IRS FCM Client Standard Agreement

The OTC IRS FCM Clearing Member shall establish and maintain records with respect to all OTC IRS FCM Client Transactions under each OTC IRS FCM Client Standard Agreement detailing (i) all OTC IRS FCM Client Transactions, (ii) all payments under the OTC IRS FCM Client Transactions, (iii) all OTC IRS FCM Client Margin ~~and OTC IRS FCM Client Variation Margin~~ actually delivered and (iv) all Redelivery Claims relating to such OTC IRS FCM Client Standard Agreement.

The OTC IRS FCM Clearing Member shall establish and provide to Eurex Clearing AG a specific customer identifier with respect to each of its OTC IRS FCM Clients. Any transfer by the OTC IRS FCM Clearing Member (acting for the account of an OTC IRS FCM Client) of Eligible Margin Assets in the form of cash to Eurex Clearing AG in respect of OTC IRS FCM Client Margin ~~or OTC IRS FCM Client Variation Margin~~ as well as of any Eligible Margin Assets in the form of Securities in respect of OTC IRS FCM Client Margin to the relevant OTC IRS FCM Client Pledged Securities Account shall clearly refer to the applicable customer identifier.

[...]

4 Set-off

[...]

4.2 Any claim of Eurex Clearing AG and the OTC IRS FCM Client under an OTC IRS FCM Client Standard Agreement, including claims to provide cover in respect of OTC IRS FCM Client Margin ~~or OTC IRS FCM Client Variation Margin~~ pursuant to Numbers ~~5 and 6~~, may only be set off against claims arising from OTC IRS FCM Client Transactions under

	Eurex04e
Clearing Conditions of Eurex Clearing AG	05.03.2018
	Page 10

the same OTC IRS FCM Client Standard Agreement or claims to provide cover in respect of OTC IRS FCM Client Margin ~~or OTC IRS FCM Client Variation Margin~~ pursuant to Numbers 5 ~~and 6~~ of the respective other party under the same OTC IRS FCM Client Standard Agreement.

[...]

6 ~~OTC IRS FCM Client~~ Variation Margin

6.1 ~~General Obligation to provide OTC IRS FCM Client Variation Margin~~

Neither Eurex Clearing AG nor the OTC IRS FCM Client shall be required to transfer (additional) cover in the form of cash in respect of daily profits or losses for all OTC IRS FCM Client Transactions under the relevant OTC IRS FCM Client Standard Agreement (Variation Margin). All OTC IRS FCM Client Transactions can only be cleared as STM Transactions.

~~6.1.1 Each of Eurex Clearing AG and the OTC IRS FCM Client shall be required to transfer, with respect to each OTC IRS FCM Client Standard Agreement separately, (additional) cover in respect of daily profits or losses for all OTC IRS FCM Client Transactions under each OTC IRS FCM Client Standard Agreement (“**OTC IRS FCM Client Variation Margin**”) in such amounts and at such times as are required pursuant to this Number 6.~~

~~6.1.2 The OTC IRS FCM Clearing Member is required to separately demand cover in respect of daily profits or losses arising in respect of the OTC IRS FCM Client Transactions from each OTC IRS FCM Client in an amount not less than the OTC IRS FCM Client Variation Margin Requirement.~~

6.2 ~~OTC IRS FCM Client Variation Margin Requirement~~

~~6.2.1 Only Eligible Margin Assets in the form of cash shall be delivered as cover in respect of OTC IRS FCM Client Variation Margin.~~

~~6.2.2 With respect to the relevant OTC IRS FCM Client Standard Agreement, the amount of Eligible Margin Assets in form of cash to be delivered by the party obliged to provide OTC IRS FCM Client Variation Margin (the “**OTC IRS FCM Client Variation Margin Provider**”) to the other party (the “**OTC IRS FCM Client Variation Margin Taker**”) as cover in respect of the relevant OTC IRS FCM Client Variation Margin (the “**OTC IRS FCM Client Variation Margin Requirement**”) shall be determined in accordance with Chapter VIII Part 2 Number 2.1.6 of the Clearing Conditions.~~

6.3 ~~Delivery of OTC IRS FCM Client Variation Margin and Redelivery Claim~~

~~6.3.1 OTC IRS FCM Client Variation Margin shall be delivered and/or returned on each Business Day in accordance with the daily cash clearing procedure pursuant to Number 1.4.1 and Number 1.3 of the General Clearing Provisions.~~

	Eurex04e
Clearing Conditions of Eurex Clearing AG	05.03.2018
	Page 11

- ~~6.3.2 — Eligible Margin Assets in the form of cash actually delivered in respect of the relevant OTC IRS FCM Client Variation Margin by the relevant OTC IRS FCM Client Variation Margin Provider will give rise to or increase a Redelivery Claim of such OTC IRS FCM Client Variation Margin Provider against the OTC IRS FCM Client Variation Margin Taker in accordance with Number 2.2.2. Any such Redelivery Claim shall become due if and to the extent that on any subsequent Business Day a profit amount has been determined in respect of the relevant OTC IRS FCM Client Standard Agreement for the benefit of such OTC IRS FCM Client Variation Margin Provider in accordance with Chapter VIII Part 2 Number 2.1.6 (the applicable amount shall be the “Redelivery Amount”). However, if equivalent Eligible Margin Assets in form of cash have been actually delivered to the OTC IRS FCM Client Variation Margin Provider by the FCM Variation Margin Taker, the value of such Eligible Margin Assets will be applied to reduce (subject to a minimum of zero) the Redelivery Amount and the value of the Redelivery Claim then due. If the profit amount determined for the benefit of the OTC IRS FCM Client Variation Margin Provider is higher than its Redelivery Claim as of such time, the payment of the excess amount by the other party itself constitutes a delivery of OTC IRS FCM Client Variation Margin and in this case the OTC IRS FCM Client Variation Margin Provider shall become the OTC IRS FCM Client Variation Margin Taker and vice versa.~~
- ~~6.3.3 — If, upon the conclusion of an OTC IRS FCM Client Transaction under an FCM Standard Agreement, the terms and conditions of such OTC IRS FCM Client Transaction provide that due to a netting with an applicable initial consideration no actual payment in respect of such OTC IRS FCM Client Variation Margin will occur, an actual delivery in respect of the relevant OTC IRS FCM Client Variation Margin resulting in a corresponding Redelivery Claim shall take place.~~
- ~~6.3.4 — Eligible Margin Assets in the form of cash delivered to Eurex Clearing AG as OTC IRS FCM Client Variation Margin shall be maintained on the relevant OTC IRS FCM Client TARGET2 Account or on another relevant currency account of Eurex Clearing AG.~~
- ~~6.3.5 — Each of the accounts referred to in Number 6.3.4 shall, subject to the other provisions of this Number 6, be maintained in a manner compliant with applicable provisions of the CEA and the CFTC Regulations on “Cleared Swaps Customer Accounts”, including but not limited to Part 1, Part 22 and Part 190 of the CFTC Regulations. The Eligible Margin Assets booked on such accounts shall be maintained separately from any and all assets of the OTC IRS FCM Clearing Members or any other assets that Eurex Clearing AG is holding for or with respect to customers other than OTC IRS FCM Clients and shall contain no assets other than Eligible Margin Assets provided with respect to OTC IRS FCM Client Transactions.~~
- ~~6.3.6 — All Eligible Margin Assets received by Eurex Clearing AG from, or for the account of, an OTC IRS FCM Client as OTC IRS FCM Client Variation Margin shall be separately accounted for and segregated with respect to the relevant individual OTC IRS FCM Client. For purposes of complying with CFTC Regulation 22.15 (and subject to CFTC Regulation 22.3(d)), Eurex Clearing AG shall treat the value of all Eligible Margin Assets delivered by or for the account of each OTC IRS FCM Client as being allocated to such individual OTC IRS FCM Client and such amount shall not be used to margin, guarantee,~~

	Eurex04e
Clearing Conditions of Eurex Clearing AG	05.03.2018
	Page 12

~~or secure any Own Transaction or other obligations of the OTC IRS FCM Clearing Member or of any other OTC IRS FCM Client.~~

~~6.3.7 The name of each account in which Eligible Margin Assets delivered to Eurex Clearing AG as OTC IRS FCM Client Variation Margin are deposited shall identify the account as a "Cleared Swaps Customer Account" and clearly indicate that the assets therein are "Cleared Swaps Customer Collateral" subject to segregation in accordance with Part 22 of the CFTC Regulations and Section 4d(f) of the CEA. Eurex Clearing AG shall obtain and retain in its files for the period provided by CFTC Regulation 1.31 an acknowledgment from each Permitted Depository that it was informed that the Eligible Margin Assets deposited in such accounts are those allocated to OTC IRS FCM Clients and are being held for purpose of complying with the provisions of the CEA and the CFTC Regulations. For the purpose of CFTC Rule 22.8 the situs of the accounts referred to in this Number 6.3.7 shall be deemed to be in the United States.~~

[...]

8.4 Porting in relation to OTC IRS FCM Client Standard Agreements

[...]

8.4.4 If the OTC IRS FCM Client has provided a Replacement Election Notice by the Replacement Cut-Off Time, this Number 8.4.4 applies.

If, at or prior to the end of the Replacement Period, Eurex Clearing AG determines that all OTC IRS FCM Clearing Member Replacement Requirements in respect of an OTC IRS FCM Client Standard Agreement are fulfilled, all rights and obligations of the Affected OTC IRS FCM Clearing Member arising from the relevant Clearing Agreement appended in the form of Appendix 9 entered into between Eurex Clearing AG, the Affected OTC IRS FCM Clearing Member and the relevant OTC IRS FCM Client in respect of all existing OTC IRS FCM Client Transactions under the relevant OTC IRS FCM Client Standard Agreement (including, without limitation, any obligations under the OTC IRS FCM Clearing Member Guarantee) shall be transferred, by way of an assumption of contract (*Vertragsübernahme*), (a "**Transfer**") to the new OTC IRS FCM Clearing Member (the "**Replacement OTC IRS FCM Clearing Member**"), and the Affected OTC IRS FCM Clearing Member hereby expressly and irrevocably consents to such Transfer with respect to it in such event.

[...]

"**OTC IRS FCM Clearing Member Replacement Requirements**" means all of the following requirements:

[...]

- (v) the Replacement OTC IRS FCM Clearing Member has (a) provided Eurex Clearing AG with sufficient Eligible Margin Assets to cover (for the account of the OTC IRS FCM Client) any shortfall in OTC IRS FCM Client Margin ~~and OTC IRS FCM Client Variation Margin~~ in respect of all OTC IRS FCM Client Transactions to

	Eurex04e
Clearing Conditions of Eurex Clearing AG	05.03.2018
	Page 13

which the Transfer relates or (b) committed itself to Eurex Clearing AG to provide the relevant amount of Eligible Margin Assets without undue delay following the Transfer.

[...]

8.4.9 After the Transfer, Eurex Clearing AG shall

- (i) book the relevant OTC IRS FCM Client Transactions from the relevant OTC IRS FCM Client Own Account(s) of the Affected OTC IRS FCM Clearing Member to the relevant OTC IRS FCM Client Own Account(s) of the Replacement OTC IRS FCM Clearing Member; and
- (ii) with respect to the relevant OTC IRS FCM Client Standard Agreement to which the Transfer relates, attribute to the Replacement OTC IRS FCM Clearing Member (acting for the account of the relevant OTC IRS FCM Client), by making appropriate changes to its records, all OTC IRS FCM Client Margin ~~and all OTC IRS FCM Client Variation Margin~~ provided to Eurex Clearing AG in respect of such OTC IRS FCM Client Standard Agreement

and, following such changes to the records, such amounts or assets shall be deemed to constitute OTC IRS FCM Client Margin ~~and OTC IRS FCM Client Variation Margin, respectively,~~ that has been provided by the Replacement OTC IRS FCM Clearing Member for the account of the relevant OTC IRS FCM Client.

8.4.10 During the Replacement Period

- (i) the Clearing of new OTC IRS FCM Client Transactions under each OTC IRS FCM Client Standard Agreement of the Affected OTC IRS FCM Clearing Member's OTC IRS FCM Clients shall always be suspended;
- (ii) all Redelivery Claims of the Affected OTC IRS FCM Clearing Member's OTC IRS FCM Clients with respect to OTC IRS FCM Client Margin in the form of cash ~~and OTC IRS FCM Client Variation Margin~~ shall be deferred (*gestundet*);
- (iii) Eurex Clearing AG shall not be obliged to provide any ~~OTC IRS FCM Client Variation Margin~~ STM Amounts to the Affected OTC IRS FCM Clearing Member's OTC IRS FCM Clients (or the Affected OTC IRS FCM Clearing Member acting for their account).

8.4.11 Partial Transfers

Subject to appropriate arrangements between the Affected OTC IRS FCM Clearing Member, the OTC IRS FCM Client, the Replacement OTC IRS FCM Clearing Member and Eurex Clearing AG (upon terms satisfactory to Eurex Clearing AG), the porting and transfers set out in Numbers 8.4.1 to 8.4.9 may also be made only with respect to some, but not all, OTC IRS FCM Client Transactions under the relevant OTC IRS FCM Client Standard Agreement, provided that, following such porting and transfers, the aggregate value of all Eligible Margin Assets actually delivered to Eurex Clearing AG in respect of

	Eurex04e
Clearing Conditions of Eurex Clearing AG	05.03.2018
	Page 14

OTC IRS FCM Client Margin allocated to the OTC IRS FCM Client Transactions that continue to form part of the existing OTC IRS FCM Client Standard Agreement is equal to or exceeds the applicable Default OTC IRS FCM Client Margin Requirement. In the case of such partial porting and transfer, the assumption of contract by the Replacement OTC IRS FCM Clearing Member shall be limited accordingly and (i) the OTC IRS FCM Client Transactions to which such transfer does not relate (and the relevant Redelivery Claims relating to OTC IRS FCM Client Margin ~~and OTC IRS FCM Client Variation Margin~~ allocated to such OTC IRS FCM Client Transactions) will continue to form part of the existing OTC IRS FCM Client Standard Agreement, a Termination and Termination Date shall occur, and Numbers 8.6.2 to 8.6.5 shall apply with respect to such existing OTC IRS FCM Client Standard Agreement and (ii) the OTC IRS FCM Client Transactions to which such transfer relates (and the relevant Redelivery Claims relating to OTC IRS FCM Client Margin ~~and OTC IRS FCM Client Variation Margin~~ allocated to such OTC IRS FCM Client Transactions) shall become part of a new OTC IRS FCM Client Standard Agreement.

[...]

8.6.2 Termination of OTC IRS FCM Client Transactions and Redelivery Claims

All current and future primary obligations (including payment and delivery obligations) under the relevant OTC IRS FCM Client Standard Agreement between Eurex Clearing AG and the OTC IRS FCM Client arising from OTC IRS FCM Client Transactions and any Redelivery Claim under the relevant OTC IRS FCM Client Standard Agreement shall expire (*auflösende Bedingung*) as of the Termination Time and shall no longer be required to be performed by the relevant obligor. Furthermore, all due but unsatisfied obligations in respect of the relevant OTC IRS FCM Client Margin ~~or OTC IRS FCM Client Variation Margin~~ shall expire (*auflösende Bedingung*) as of the Termination Time. The expiration affects all claims arising from OTC IRS FCM Client Transactions under the relevant OTC IRS FCM Client Standard Agreement independent of the time they came into existence or would have come into existence otherwise. These expired primary obligations and delivery obligations, respectively, are reflected by the Difference Claim.

[...]

8.7.3 Further Termination Provisions; Porting in Lieu of Termination

If Eurex Clearing AG has not declared a Termination and a Termination Date with respect to an OTC IRS FCM Client Standard Agreement with an OTC IRS FCM Client, the following provisions apply:

[...]

- (3) If the Bankruptcy Trustee timely communicates to Eurex Clearing AG that a particular OTC IRS FCM Client has chosen porting in relation to its OTC IRS FCM Client Transactions or has not made a choice, Eurex Clearing AG will consult with the Bankruptcy Trustee to effect the porting of the OTC IRS FCM Client Transactions with the OTC IRS FCM Client and the porting of OTC IRS FCM Client

	Eurex04e
Clearing Conditions of Eurex Clearing AG	05.03.2018
	Page 15

Margin in the form of cash ~~and OTC IRS FCM Client Variation Margin~~ as well as the transfer of OTC IRS FCM Client Margin in the form of Securities in accordance with the Bankruptcy Code and CFTC Regulation 190.06. As soon as possible, and in any event within three calendar days following the commencement of the Relevant Period, Eurex Clearing AG will give the CFTC notice of Eurex Clearing AG's intent to conduct a porting in relation to the OTC IRS FCM Client Transactions, and, unless the porting and transfer is disapproved by the CFTC, Eurex Clearing AG will complete the porting and transfer within the Relevant Period.

[...]

9 Insolvency or Default with respect to an OTC IRS FCM Client

[...]

9.6 If an OTC IRS FCM Client Termination Date has occurred with respect to an OTC IRS FCM Client Standard Agreement, the following provisions shall apply:

9.6.1 Termination of OTC IRS FCM Client Transactions and Redelivery Claims

All current and future primary obligations (including payment and delivery obligations) under the relevant OTC IRS FCM Client Standard Agreement between Eurex Clearing AG and the OTC IRS FCM Client arising from OTC IRS FCM Client Transactions and any Redelivery Claim under the relevant OTC IRS FCM Client Standard Agreement shall expire (*auflösende Bedingung*) as of the OTC IRS FCM Client Termination Time and shall no longer be required to be performed by the relevant obligor. Furthermore, all due but unsatisfied obligations in respect of the relevant OTC IRS FCM Client Margin ~~or OTC IRS FCM Client Variation Margin~~ shall expire (*auflösende Bedingung*) as of the OTC IRS FCM Client Termination Time. The expiration affects all claims arising from OTC IRS FCM Client Transactions under the relevant OTC IRS FCM Client Standard Agreement independent of the time they came into existence or would have come into existence otherwise. These expired primary obligations and delivery obligations, respectively, are reflected by the Difference Claim (as defined below).

[...]
