

Chapter II of the Clearing Conditions of Eurex Clearing AG

Transactions Concluded at Eurex Deutschland

(Eurex Exchange)

As of 28.01.2019

	Eurex04e
Clearing Conditions of Eurex Clearing AG	As of 28.01.2019
	Page 1
Chapter II	

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

Please note: This blackline version is based on the Clearing Conditions of Eurex Clearing AG as of 28 December 2018 and it does not take into account other amendments to the Clearing Conditions which will enter into force on 28 January 2019.

[...]

Part 1 General Provisions

[...]

1.2 Margin Requirement

(1) With regard to the obligation to provide Margin, the following provisions apply in addition to the relevant provisions of Chapter I.

(2) For the purposes of derivatives transactions covered by this Chapter II and to the extent not stated otherwise, the primary payment obligation in respect of daily profits and losses shall be settled-to-market variation margin ("STM Variation Margin"). Any payments of STM Variation Margin shall be considered as partial fulfilment of the respective derivatives transactions and shall not give rise to a corresponding Redelivery Claim. The provisions of Chapter I on the calculation of the net variation margin requirement of Variation Margin and on the delivery of Variation Margin shall apply accordingly.

~~(3)(2)~~

[...]

~~(5)(4)~~ With respect to options transactions without immediate premium payment obligations, settled-to-market variation margin ("STM Variation Margin") in respect of the daily profits and losses as further set out in this Chapter II shall be ~~provided~~ paid by either party to the options transaction.

[...]

[...]

	Eurex04e
Clearing Conditions of Eurex Clearing AG	As of 28.01.2019
	Page 2
Chapter II	

Part 2 Clearing of Futures Contracts

[...]

[...]

2.1.2 Daily Settlement Price

- (1) For each futures contract, profits and losses arising out of open positions on any Business Day will be determined at the end of the Post-Trading Period on the basis of the daily settlement price determined pursuant to Paragraph (2). For open positions from the previous Business Day, the relevant profit or loss amount shall equal the difference between the daily settlement prices of the contract in question on the relevant Business Day and the previous Business Day. For transactions on the relevant Business Day, the relevant profit or loss amount shall equal the difference between the price at which the Transaction was concluded and the daily settlement price for such Business Day.

- (a) The determined profit or loss amount on any Business Day shall be the ~~Variation Margin Requirement~~ STM Variation Margin (as defined in Part 1 Number 1.2 Paragraph (4)) or ~~Segregated Variation Margin Requirement, as applicable, and/or any Redelivery Amount, as the case may be (as defined in Chapter I Part 2 Subpart A Number 5.4, Chapter I Part 3 Subpart A Number 6.3 or Chapter I Part 4 Number 7.4, as applicable)~~. Payment of the STM Variation Margin shall be made on any such Business Day. Eurex Clearing AG may discharge its payment obligations by way of set-off in accordance with Chapter I Part 1 Number 1.3.1 Paragraph (1) (a) and (f) and Chapter I Part 1 Number 1.3.1 Paragraph (2) (a) (aa), (b) and (c).
- (b) For the avoidance of doubt, in the case of the occurrence of a Termination with respect to the Clearing Member or a Failure to Pay Event or an Insolvency Event with respect to Eurex Clearing AG, the primary payment obligations set out in this Number 2.1.2 shall be taken into account when determining the Liquidation Price or CCP Exchange Price, respectively, of the relevant futures contract.
- (c) With the entering into force of this amended Number 2.1.2, all existing futures contracts shall be amended as follows:
1. The Variation Margin Requirement and the Segregated Variation Margin Requirement are rededicated as STM Variation Margin and primary payment obligations of the Clearing Member or Eurex Clearing AG; and
 2. Any Eligible Margin Assets actually delivered as Variation Margin by the relevant Variation Margin Provider with respect to existing derivatives transactions and with respect to which a Redelivery Claim exists shall be rededicated as amounts which were paid by the party that was the Variation Margin Provider to the party that was the Variation Margin Taker.

	Eurex04e
Clearing Conditions of Eurex Clearing AG	As of 28.01.2019
	Page 3
Chapter II	

Such rededication shall fulfill the outstanding exposure of the relevant futures contract as of the respective preceding Business Day. The respective Redelivery Claim of the relevant Variation Margin Provider shall expire.

- (2) Eurex Clearing AG determines the daily settlement price according to the true market conditions of the respective contract and under consideration of its risk assessment.

[...]

- (j) The daily settlement price for Variance Futures contracts shall be determined according to the specification in Number 1.20.7 of the Contract Specifications for Futures Contracts and Options Contracts at Eurex Deutschland.

[...]

$ARMVM_t$ = Accumulated Return on Modified STM Variation Margin, according to Section 1.20.7.2.2.2 of the Contract Specifications for Futures Contracts and Options Contracts at Eurex Deutschland.

[...]

2.8.4 Margin Requirements

- (1) The applicable Margin Type shall be the Initial Margin in accordance with the Eurex Clearing Prisma methodology.
- (2) The STM Variation Margin for CMFs shall reflect the Maturity Calibration. Its calculation therefore reflects the position opening conducted at the maturity calibrated price at the beginning of each Business Day.

[...]

2.8.8 Transaction Transfers and Position Transfers

If a transfer of a CMF fulfils the requirements outlined in Part 1 Number 1.3.3 and is carried out on one of the two Business Days following the Business Day on which the respective CMF was entered into, the STM Variation Margin for such CMF shall not reflect the Maturity Calibration which is taking place on one of the two Business Days following the Business Day on which the respective CMF was entered into.

- (1) In case the transfer of a CMF is carried out on the first Business Day following the Business Day on which the respective CMF was entered into, such difference in STM Variation Margin between the daily settlement price of the Business Day on which the respective CMF was entered into and the maturity calibrated price of the following Business Day shall not be transferred to the accepting Clearing Member.

	Eurex04e
Clearing Conditions of Eurex Clearing AG	As of 28.01.2019
	Page 4
Chapter II	

- (2) In case the transfer of CMFs is carried out on the second Business Day following the Business Day on which the respective CMF was entered into, such difference in STM Variation Margin between the daily settlement price of the Business Day on which the respective CMF was entered into and the maturity calibrated price of the second following Business Day plus the difference in STM Variation Margin between the daily settlement price of the following Business Day and the maturity calibrated price of the second following Business Day shall not be transferred to the accepting Clearing Member.

In cases of Number 2.8.8 Paragraphs (1) and (2) Clearing Members involved in such transfer shall settle any differences in STM Variation Margin bilaterally.

[...]

2.12.4 Margin Requirements

- (1) The applicable Margin Type shall be the Initial Margin in accordance with the Eurex Clearing Prisma methodology.
- (2) The STM Variation Margin for FX Rolling Spot Futures shall reflect the Swap Point Adjustment. Its calculation therefore reflects the position opening conducted at the re-opening price at 17:00 CET of each Business Day.

[...]

2.12.8 Transaction Transfers and Position Transfers

If a transfer of a FX Rolling Spot Future fulfils the requirements outlined in Part 1 Number 1.3.3 and is carried out on one of the two Business Days following the Business Day on which the respective FX Rolling Spot Future Contract was entered into, the STM Variation Margin for such FX Rolling Spot Future Contract shall not reflect the Daily Swap Point Adjustment which is taking place on one of the two Business Days following the Business Day on which the respective FX Rolling Spot Future Contract was entered into.

- (1) In case the transfer of a FX Rolling Spot Future is carried out on the first Business Day following the Business Day on which the respective FX Rolling Spot Future Contract was entered into, such difference in STM Variation Margin between the daily settlement price of the Business Day on which the respective FX Rolling Spot Future Contract was entered into and the re-opening price of the following Business Day shall not be transferred to the accepting Clearing Member.
- (2) In case the transfer of FX Rolling Spot Future is carried out on the second Business Day following the Business Day on which the respective FX Rolling Spot Future Contract was entered into, such difference in STM Variation Margin between the daily settlement price of the Business Day on which the respective FX Rolling Spot Future Contract was entered into and the re-opening price of the following Business Day plus the difference in STM Variation Margin between the daily settlement price

	Eurex04e
Clearing Conditions of Eurex Clearing AG	As of 28.01.2019
	Page 5
Chapter II	

of the following Business Day and the re-opening price of the second following Business Day shall not be transferred to the accepting Clearing Member.

In cases of Number 2.12.8 Paragraphs 1 and 2 Clearing Members involved in such transfer shall settle any differences in STM Variation Margin bilaterally.

[...]

2.22.4 Margin Requirements

- (1) The applicable Margin Type for Index Total Return Futures Contracts shall be the Initial Margin in accordance with the Eurex Clearing Prisma methodology.
- (2) The STM Variation Margin for Index Total Return Futures Contracts shall reflect the changes between the daily settlement prices expressed in index points.

[...]

Part 3 Clearing of Options Contracts

[...]

3.2.3 Daily Settlement prior to Exercise

- (1) For each contract, profits and losses arising out of open positions on any Business Day will be determined at the end of the Post-Trading Period. For open positions from the previous Business Day, the amount to be debited or credited shall equal the difference between the daily settlement prices of the contract in question on the relevant Business Day and on the previous Business Day. For transactions on the relevant Business Day, the amount to be credited or debited shall equal the difference between the price at which the transaction was concluded and the daily settlement price of the contract for such Business Day.

The profit or loss amount as determined on any Business Day shall be ~~the STM Variation Margin Requirement or Segregated Variation Margin Requirement, as applicable, and/or any Redelivery Amount, as the case may be (as defined in Chapter I Part 2 Subpart A Number 5, Chapter I Part 3 Subpart A Number 6 or Subpart B Number 5 or Chapter I Part 4 Number 7, as applicable).~~ Part 2 Number 2.1.2 Paragraph (1) shall apply *mutatis mutandis*.

	Eurex04e
Clearing Conditions of Eurex Clearing AG	As of 28.01.2019
	Page 6
Chapter II	

- (1) Paragraph (1) shall apply *mutatis mutandis* to the legal relationship between Clearing Members and their relevant Non-Clearing Members or Registered Customer, respectively.

[...]

3.3.3 Daily Settlement prior to Exercise

- (1) For each contract, profits and losses arising out of open positions on any Business Day will be determined at the end of the Post-Trading Period. For open positions from the previous Business Day, the amount to be debited or credited shall equal the difference between the daily settlement prices of the contract in question on the relevant Business Day and on the previous Business Day. For transactions on the relevant Business Day, the amount to be credited or debited shall equal the difference between the price at which the transaction was concluded and the daily settlement price of the contract for such Business Day.

The determined profit or loss amount on any Business Day shall be ~~the STM Variation Margin Requirement, Segregated Variation Margin Requirement or Net Omnibus Variation Margin Requirement, as applicable, and/or any Redelivery Amount, as the case may be (as defined in Chapter I Part 2 Subpart A Number 5.4, Chapter I Part 3 Subpart A Number 6.3 or Chapter I Part 4 Number 7.4, as applicable).~~ Part 2 Number 2.1.2 Paragraph (1) shall apply *mutatis mutandis*.

- (2) Paragraph (1) shall apply to the legal relationship between Clearing Members and their relevant Non-Clearing Members *mutatis mutandis*.

[...]

3.13.3 Daily Settlement prior to Exercise

- (1) For each Options contract, profits and losses arising out of open positions on any Business Day will be determined at the end of the Post-Trading Period. For open positions from the previous Business Day, the amount to be debited or credited shall equal the difference between the daily settlement prices of the contract in question on the relevant Business Day and on the previous Business Day. For transactions on the relevant Business Day, the amount to be credited or debited shall equal the difference between the price at which the transaction was concluded and the daily settlement price of the contract for such Business Day.

The determined profit or loss amount on any Business Day shall be ~~the STM Variation Margin Requirement or Segregated Variation Margin Requirement and/or any Redelivery Amount, as the case may be (each as defined in Chapter I Part 2 Subpart A Number 5, Chapter I Part 3 Subpart A Number 6 or Subpart B Number 5 or Chapter I Part 4 Number 7, as applicable).~~ Part 2 Number 2.1.2 Paragraph (1) shall apply *mutatis mutandis*.

	Eurex04e
Clearing Conditions of Eurex Clearing AG	As of 28.01.2019
	Page 7
Chapter II	

(2) Paragraph (1) shall apply to the legal relationship between Clearing Members and their relevant Non-Clearing Members *mutatis mutandis*.

[...]
