

Chapter VIII of the Clearing Conditions of Eurex Clearing AG

Clearing of OTC Interest Rate Derivative Transactions, OTC FX Transactions and OTC XCCY Transactions

As of 02.05.2019

AMENDMENTS ARE MARKED AS FOLLOWS:

INSERTIONS ARE UNDERLINED

DELETIONS ARE CROSSED OUT

[...]

Part 2 Clearing of OTC Interest Rate Derivative Transactions

2.1 General Provisions

[...]

2.1.4 CTM Interest Rate Derivative Transactions and STM Interest Rate Derivative Transactions

- (1) A Clearing Member may, by way of an IRS STM Election, elect that all (but not some only) of ~~its~~the STM Eligible Interest Rate Derivative Transactions under the relevant Standard Agreement shall be cleared as STM Interest Rate Derivative Transactions. If the STM Eligible Interest Rate Derivative Transactions under the relevant Standard Agreement for which an IRS STM Election is made by the Clearing Member relate to a Disclosed Direct Client which has entered into a Clearing Agreement with the Clearing Member and Eurex Clearing AG, the Clearing Member, by submitting the IRS STM Election to Eurex Clearing AG, also represents and warrants by way of an independent guarantee and irrespective of fault (*selbständiges, verschuldensunabhängiges Garantieverprechen*) to Eurex Clearing AG that the respective Disclosed Direct Client has agreed that the respective STM Eligible Interest Rate Derivative Transactions shall be cleared as STM Interest Rate Derivative Transactions.

 In the case of Existing STM Eligible Interest Rate Derivative Transactions, the CTM Interest Rate Derivative Transactions shall be established as STM Interest Rate Derivative Transactions on the IRS STM Effective Date pursuant to Paragraph (2).
[...]

- (2) If an IRS STM Election is made, all Existing STM Eligible Interest Rate Derivative Transactions under the relevant Standard Agreement shall be amended on the IRS STM Effective Date as follows:

[...]

- (6) For the purposes of this Chapter VIII,

[...]

(b) **“Existing STM Eligible Interest Rate Derivative Transaction”** means a CTM Interest Rate Derivative Transaction that ~~is an Own Transaction and~~ was created as a CTM Interest Rate Derivative Transaction between the Clearing Member and Eurex Clearing by way of novation prior to the IRS STM Election.

(c) **“Original STM Eligible Interest Rate Derivative Transaction”** means, ~~an Own Transaction that is~~ an OTC Interest Rate Derivative Transaction ~~and that~~ is created by way of novation pursuant to Part 1 Number 1.2.1.

[...]

(e) **“IRS STM Election”** means the election by the Clearing Member that all (but not some only) ~~of its Own Transactions which are its~~ OTC Interest Rate Derivative Transactions under the relevant Standard Agreement shall be Settled-to-Market.

[...]

(g) **“Transfer STM Eligible Interest Rate Derivative Transaction”** means, an ~~Own Transaction that is an~~ OTC Interest Rate Derivative Transaction and is created by way of novation pursuant to Number 2.7 in connection with Chapter I Part 1 Number 1.2.2 Paragraph (5) (c).

(7) If, in case of a default of a Clearing Member, STM Interest Rate Derivative Transactions are ported to a Replacement Clearing Member by way of assumption of contract (*Vertragsübernahme*) or by way of immediate re-establishment of the Transactions in accordance with the porting provisions of Chapter I applicable to the relevant Standard Agreement, and the relevant Replacement Clearing Member does not support the IRS STM Election with regard to the relevant Standard Agreement, as of the porting becoming effective, the Transactions shall be amended to become CTM Interest Rate Derivative Transactions and instead of the provisions applicable to STM Interest Rate Derivative Transactions the provisions applicable to CTM Interest Rate Derivative Transactions shall apply to the Transactions.

[...]
