

clear to trade



## eurex clearing circular 073/17

**Date:** 8 August 2017  
**Recipients:** All Clearing Members, Non-Clearing Members and Registered Customers,  
FCM Clients and Basic Clearing Members of Eurex Clearing AG  
**Authorized by:** Thomas Laux

### Amendments of Special Provisions regarding the Default Management Process

**Related Eurex Clearing circular:** 066/17

**Contact:** Risk Control: T +49-69-211-1 24 52, [DMP\\_Inbox@eurexclearing.com](mailto:DMP_Inbox@eurexclearing.com)

**Content may be most important for:**

➔ All departments

**Attachments:**

- 1.-3. Amended sections of the Clearing Conditions of Eurex Clearing AG
4. Amended sections of the Default Management Auction Rules of Eurex Clearing AG
5. Amended sections of the Default Management Committee Rules of Eurex Clearing AG

As announced in Eurex Clearing circular 066/17, Eurex Clearing AG (Eurex Clearing) intends to:

1. Clarify the DMP regarding the FWB Transactions in case a defaulted Clearing Member has been acting as a seller;
2. Clarify the definition of the "Liquidation Group Ratio" for the Dedicated Amount consumption;
3. Clarify the provisions relating to the OTC Interest Rate Derivatives Transactions auction format;
4. Clarify the Default Management Auction Rules; and
5. Further clarify the Default Management Committee Rules.

The amendments relate to Special Provisions of the Clearing Conditions of Eurex Clearing AG (Clearing Conditions) with the consequences that a consultation process (Consultation) was initiated, which started on 6 July 2017 and ended on 7 August 2017. During the Consultation, Eurex Clearing did not receive comments from its customers regarding the contemplated amendments.

In line with the internal effort to coordinate the amendments of the Clearing Conditions, the Default Management Auction Rules, and the Default Management Committee Rules, the proposed changes will come into effect on **4 September 2017**. The amended sections of the Clearing Conditions, the Default Management Committee Rules and the Default Management Auction Rules, as concluded by the Executive Board of Eurex Clearing, are attached to this circular.



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Aktiengesellschaft mit  
Sitz in Frankfurt/Main  
HRB Nr. 44828  
USt-IdNr. DE194821553  
Amtsgericht  
Frankfurt/Main

**Amendments of Special Provisions regarding the  
Default Management Process**

As announced in Eurex Clearing circular 066/17, Eurex Clearing intends to:

1. Clarify the DMP regarding the FWB Transactions in case a defaulted Clearing Member has been acting as a seller;
2. Clarify the definition of the "Liquidation Group Ratio" for the Dedicated Amount consumption;
3. Clarify the provisions relating to the OTC Interest Rate Derivatives Transactions auction format;
4. Clarify the Default Management Auction Rules; and
5. Further clarify the Default Management Committee Rules.

The amendments relate to Special Provisions of the Clearing Conditions with the consequences that a consultation process (Consultation) was initiated, which started on 6 July 2017 and ended on 7 August 2017. During the Consultation, Eurex Clearing did not receive comments from its customers regarding the contemplated amendments.

In line with the internal effort to coordinate the amendments of the Clearing Conditions, the Default Management Auction Rules, and the Default Management Committee Rules, the proposed changes will come into effect on 4 September 2017. The amended sections of the Clearing Conditions, the Default Management Committee Rules and the Default Management Auction Rules, as concluded by the Executive Board of Eurex Clearing, are attached to this circular.

As of the effective date 4 September 2017, the full updated Clearing Conditions will be published on the Eurex Clearing website [www.eurexclearing.com](http://www.eurexclearing.com) under the following link:

**Resources > Rules and Regulations**

Pursuant to Chapter I Part 1 Number 17.2.3 of the Clearing Conditions, the changes and amendments to the Clearing Conditions, the Default Management Auction Rules, and the Default Management Committee Rules communicated with this circular are deemed to have been accepted by each Clearing Member, Non-Clearing Member, Registered Customer, FCM Client and Basic Clearing Member unless it objects in writing to Eurex Clearing before the end of the Business Day prior to the actual effective date of such change and amendment of the Clearing Conditions, the Default Management Auction Rules, and the Default Management Committee Rules. The right to terminate the Clearing Agreement or the Clearing License according to Chapter I Part 1 Number 2.1.4 Paragraph 2 Number 7.2.1 Paragraph 4 and Number 13 of the Clearing Conditions remains unaffected.

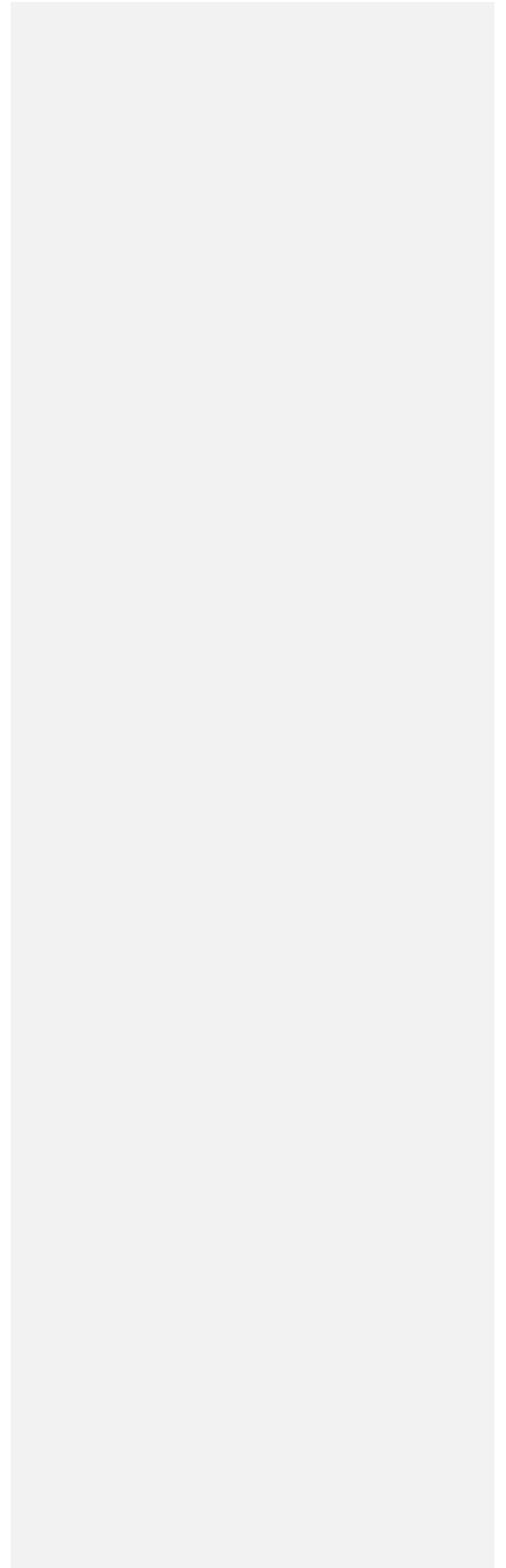
If you have any questions or require further information, please contact Risk Control at tel. +49-69-211-1 24 52 or the DMP Section directly via e-mail: [DMP\\_Inbox@eurexclearing.com](mailto:DMP_Inbox@eurexclearing.com).

8 August 2017

Chapter I of the Clearing Conditions of Eurex Clearing AG

## General Provisions

As of 04.09.2017



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AMENDMENTS ARE MARKED AS FOLLOWS:

INSERTIONS ARE UNDERLINED,

DELETIONS ARE CROSSED OUT.

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[...]

## Part 1 General Clearing Provisions

[...]

### 3 General Provisions regarding Margin

[...]

#### 3.1 Margin Requirement and Types of Margin

[...]

3.1.4 Each margin requirement calculated by Eurex Clearing AG shall equal, in respect of a Transaction or a group of Transactions after a netting thereof, if applicable, the sum of the Current Liquidating Margin requirement and the Premium Margin requirement ~~and the Spread Margin requirement and the Additional Margin requirement and the Initial Margin requirement and any other margin type requirement~~, as specified in the Special Clearing Provisions, (the "**Margin Type**"). The Current Liquidating Margin requirement and the Additional Margin requirement apply to all securities transactions (*Wertpapiergeschäfte*) pursuant to Chapters II through VI.

[...]

3.1.7 ~~The "**Spread Margin**" requirement equals the aggregate value of the potential loss Eurex Clearing AG would suffer as of the time of the determination of the margin requirement from a closing of a futures contract by entering into an inverse transaction (*Glattstellung*). When determining the Spread Margin, Eurex Clearing AG will net long and short positions with regard to identical expiration dates and, to the extent possible, net long positions and net short positions in contracts with different expiration dates.~~

3.1.7~~8~~ The "**Additional Margin**" requirement equals the amount of any potential losses from a closing of the Transaction(s) by entering into (an) inverse transaction(s) (*Glattstellung*) taking into account assumed price changes due to extreme price movements in the

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market (worst case scenario) and shall be in addition to the amount calculated by the Current Liquidating Margin, the Premium Margin, ~~the Spread Margin~~ or any other Margin Type.

- 3.1.89 The “**Initial Margin**” requirement equals the amount of any potential losses Eurex Clearing AG would suffer as of the time of the determination of the margin requirement from a closing of the Transaction(s) in a particular Liquidation Group by entering into (an) inverse transaction(s) (*Glattstellung*) within the respectively applicable holding period for the respective Liquidation Group, as published by Eurex Clearing AG on its website ([www.eurexclearing.com](http://www.eurexclearing.com)), taking into account assumed price changes due to extreme price movements in the market, and shall be in addition to the amount calculated by the Premium Margin or any other Margin Type.

[...]

## 6. Clearing Fund

[...]

### 6.2 Realisation of the Clearing Fund

[...]

- 6.2.1 In the case of a Realisation Event, the (Further) Contributions will be realised (with respect to Interim Participants as modified by the specific provisions set out in Subpart A Number 15 of the Individual Clearing Model Provisions) in accordance with the following order of priority with respect to each “**Relevant Liquidation Group**”, i.e. each Liquidation Group (as defined in Number 7.5.1) to which Terminated Transactions (as defined in Number 7.5) belong (whereby each Paragraph (1) to (12) of such order of priority shall be applied to all Relevant Liquidation Groups simultaneously before, in each case, the respective next paragraph is applied and whereby all Terminated Transactions which do not form part of any Liquidation Group shall collectively be treated as one “**Relevant Liquidation Group**” within the scope of the Clearing Fund for the purposes of this Number 6):

[...]

With respect to each Relevant Liquidation Group, the term “**Liquidation Group Ratio**” means the fraction of the amount which may be realised, in each case, under Paragraph (1) – (12) which is to be determined as follows:

[...]

- (v) with respect to Paragraph (5), the ratio of (A) the part of the sum of the Initial Margin requirement and the Additional Margin requirement ~~Total Margin Requirement~~ determined for such Relevant Liquidation Group and (B) the aggregate sum of the Initial Margin requirement and the Additional Margin requirement ~~determined for all Relevant Liquidation Groups~~ ~~Total Margin Requirement~~,  
Requirement,

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(vi) with respect to Paragraph (6), the ratio of (A) the part of the sum of the Initial Margin requirement and the Additional Margin requirement ~~Total Margin Requirement~~ determined for such Relevant Liquidation Group and (B) the sum of the Initial Margin requirement and the Additional Margin requirement determined for all Relevant Liquidation Groups ~~aggregate Total Margin Requirement~~ (not taking into account Relevant Liquidation Groups in respect of which the relevant claims have already been discharged pursuant to the respective preceding Paragraphs),

[...]

**~~“Total Margin Requirement”~~** means the sum of the Additional Margin requirement, the Spread Margin requirement and the Initial Margin requirement of all Clearing Members and Basic Clearing Members in respect of which no Termination Date or Basic Clearing Member Termination Date, as applicable, has occurred.

6.2.2

If, subsequent to a realisation of the Clearing Fund, an Affected Clearing Member or Affected BCM makes a payment to Eurex Clearing AG to fulfil the Clearing Fund Secured Claims, or if the Clearing Fund Secured Claims are otherwise discharged, after Eurex Clearing AG has realised the Dedicated Amount or Non-Affected CM Contributions (or CM Further Contributions) or Non-Affected BCM Contributions (or Non-Affected BCM Further Contributions) to the Clearing Fund, Eurex Clearing AG shall use the funds received in order to (i) repay the realised CM Further Contributions and Non-Affected BCM Further Contributions to the relevant Clearing Member(s) and Clearing Agent(s), respectively, (ii) repay the realised Non-Affected CM Contributions and Non-Affected BCM Contributions to the Clearing Fund to the relevant Clearing Member(s) and Clearing Agent(s), respectively, (iii) reinstate the realised Dedicated Amount and (iv) repay the realised Affected BCM Contributions (and Affected BCM Further Contributions) to the BCM Affected Clearing Member. The payments by Eurex Clearing AG shall be made in reverse order of Number 6.2.1 and shall in the aggregate be limited to the amounts received by Eurex Clearing AG.

[...]

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Chapter I of the Clearing Conditions of Eurex Clearing AG

## General Provisions

As of 04.09.2017

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[...]

## Part 1 General Clearing Provisions

[...]

### 7 Termination Rules with respect to the Clearing Member

[...]

#### 7.5 Default Management Process

[...]

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

[...]

- (6) Special provisions relating to Eurex Bonds Transactions and FWB Transactions, under which the Affected Clearing Member acted as seller, and Eurex Repo Transactions, under which the Affected Clearing Member acted as Cash Provider
- (i) With respect to terminated Eurex Bonds Transactions and FWB Transactions under which the Affected Clearing Member acted as seller, and with respect to terminated Eurex Repo Transactions under which the Affected Clearing Member acted as Cash Provider, Eurex Clearing AG shall purchase the bonds and securities (as applicable) underlying these Transactions via independent trades.
- (ii) Eurex Clearing AG will determine for each bond and security (as applicable) a Maximum Price<sub>1</sub> which it is willing to pay in an independent trade. "Maximum Price" means the lower amount of either (I) the sum of (i) the last settlement



price for the relevant bond or security (as applicable) on the preceding Business Day ~~and~~ (ii) the product of (a) 0.5 and (b) the relevant Risk Parameter for the ~~relevant~~ relevant bond or security (as applicable), or (II) the sum of (i) the last settlement price for the relevant bond or security (as applicable) on the Business Day immediately preceding the Termination Date and (ii) the product of (a) 1.1 and (b) the relevant Risk Parameter for the relevant bond or security (as applicable). In individual cases, Eurex Clearing AG is entitled to adjust the relevant multiplier of 0.5 or 1.1 after consultation of the relevant DMC.

- (iii) If Eurex Clearing AG is not able to purchase a bond or a security (as applicable) via independent trades, Eurex Clearing AG is entitled to determine a cash settlement regarding such bond or security (as applicable) with respect to one or more other Clearing Member(s), to which the relevant bond or security (as applicable) shall be delivered under a Eurex Bond Transaction, ~~or~~ a Eurex Repo Transaction, or a FWB Transaction.

The cash settlement amount is the product of (i) the relevant Maximum Price and (ii) the relevant number of bonds or securities (as applicable) which were not delivered under the relevant Eurex Bonds Transaction, ~~or~~ Eurex Repo Transaction, or FWB Transaction due to the cash settlement. If there are more than one Clearing Member to which the relevant bond or security (as applicable) shall be delivered under a Eurex Bond Transaction, ~~or~~ a Eurex Repo Transaction or a FWB Transaction, the relevant cash settlement shall be performed between such Clearing Members on a pro rata basis.

Upon determination of the cash settlement, the claims of the relevant Clearing Member against Eurex Clearing AG for the delivery of the owed bonds or securities (as applicable) expire with debt-discharging effect to the extend equalling the number of bonds or securities (as applicable) owed and not delivered by Eurex Clearing AG to the relevant Clearing Member. Eurex Clearing shall instead pay the cash settlement amount to the relevant Clearing Member or set off such amount with payment claims Eurex Clearing AG may have against the relevant Clearing Member.

[...]

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## General Provisions

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[...]

## **Part 1    General Clearing Provisions**

[...]

### **7            Termination Rules with respect to the Clearing Member**

[...]

#### **7.5          Default Management Process**

[...]

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

[...]

(4) Special provisions relating to OTC Interest Rate Derivative Transactions

If at least one of the relevant DM Auction Transactions qualifies as OTC Interest Rate Derivative Transactions, the following shall apply:

[...]

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[...]

#### **4 Pre-Auction Procedures**

4.1 For each DM Auction Eurex Clearing AG will provide all Mandatory Participants, all Representing Participating Bidders, and all Selected Invitees (together the "**Invitees**" and each an "**Invitee**") with the Specific Terms and with any further relevant information relating to this DM Auction in accordance with Number 11. The distribution of the Specific Terms constitutes an invitation of Eurex Clearing AG to the Invitees to submit a Bid to enter into each of the DM Auction Transactions comprised in the relevant Auction Unit with Eurex Clearing AG at the Auction Price.

[...]

#### **7 Auction Format**

7.1 The Specific Terms will specify the format of the relevant DM Auction with regard to the content of a Bid, the specific procedures of the bidding and the determination of the winning Bid (the "**Auction Format**").

7.2 When conducting a DM Auction in accordance with these DM Auction Rules, Eurex Clearing AG shall, unless stated otherwise in the Specific Terms, apply the Auction Format of a "Multi Unit – Pay as you bid" as described in Number 7.3. Notwithstanding the provisions in Sentence 1, if at least one of the relevant DM Auction Transactions qualify as OTC Interest Rate Derivative Transactions, Eurex Clearing AG shall generally conduct separate DM Auctions per currency and shall apply the Auction Format of a "Single Unit – Pay as you bid" as described in Number 7.4.

[...]

#### **10 Representations, Warranties and Undertakings**

~~By submitting a Bid in accordance with the DM Auction Rules, e~~Each Participating Bidder (for itself) and each Representing Participating Bidder (for itself and on behalf of its relevant Selected Invitee(s))

- 10.1** agrees ~~at the time of the submission of its Bid,~~ with Eurex Clearing AG (and repeats this agreement with Eurex Clearing AG at any time it submits a Bid) that
- 10.1.1** it accepts the DM Auction Rules;
  - 10.1.2** it accepts that Eurex Clearing AG is under no obligation to accept a Bid which does not comply with Number 7.3.3 or Number 7.4.3, or which is not made in accordance with Number 9.2; and
  - 10.1.3** it shall indemnify on an after tax basis Eurex Clearing AG against all and any losses, costs, claims, liabilities, expenses, charges, actions or demands which Eurex Clearing AG may incur or which may be made against Eurex Clearing AG as a result of any breach of any of the DM Auction Rules of, or any of the acknowledgements, representations, warranties and/or undertakings given pursuant to, the DM Auction Rules (including any Bid thereunder) by it;
- 10.2** acknowledges ~~at the time of the submission of its Bid,~~ to Eurex Clearing AG (and repeats this acknowledgement to Eurex Clearing AG at any time it submits a Bid) that
- 10.2.1** it understands that Eurex Clearing AG may, at its own discretion, extend, re-open, amend or waive any condition of, or cancel ~~the a~~ DM Auction at any time in accordance with Number 4.3 hereof, and that in the event of a cancellation of the DM Auction, the Bids will be released;
  - 10.2.2** it understands that acceptance by Eurex Clearing AG of a submitted Bid will constitute a binding contract regarding the entering into the DM Auction Transactions comprised in the relevant Auction Unit;
  - 10.2.3** that Eurex Clearing AG will rely upon the truth and accuracy of the foregoing and the following acknowledgments, agreements, representations, warranties and undertakings; and
  - 10.2.4** that a margin requirement with respect to the respective DM Auction Transactions comprised in the relevant Auction Unit may become due at the relevant Settlement Time; and
- 10.3** represents and warrants ~~at the time of the submission of its Bid,~~ to Eurex Clearing AG (and repeats this representation and warrant to Eurex Clearing AG at any time it submits a Bid) that

[...]

**Form of Specific Terms for DM Auctions**

**[Letterhead of Eurex Clearing AG]**

To

~~the all~~ Mandatory Participants,

all Representing Participating Bidders, and

all Selected Invitees

[Date]

**SPECIFIC TERMS FOR DM AUCTIONS**

You have been invited by Eurex Clearing AG to participate in a DM Auction (as further described by the details below).

These Specific Terms must be read in conjunction with the ~~General DM~~ Default Management -Auction Rules published as of the date hereof by Eurex Clearing AG on its website [www.eurexclearing.com](http://www.eurexclearing.com). ~~These Specific Rules and constitute~~ in conjunction with the General DM Auction Rules constitute the applicable DM Auction Rules for this DM Auction. In case of any differences between the General DM Auction Rules and these Specific Terms, these Specific Terms shall prevail.

Each Mandatory Participant, Representing Participating Bidder, and Selected Invitee will keep confidential and will not disclose directly or indirectly the Specific Terms or any other information regarding the relevant DM Auction, including any information with respect to the DM Auction Transactions or the Auction Units set forth therein, unless permitted to do so in accordance with Number 3.2 above. It will further respect to be permitted to use any such information solely for the purpose of evaluating the relevant Auction Unit and it will, unless it has provided the winning Bid in accordance with Number 7.3.3 or Number 7.4.3 of the General DM Auction Rules, immediately delete and destroy such information after the respective Expiration Time and will promptly certify to Eurex Clearing AG in writing that such deletion has been completed. ~~Each Representing Participating Bidder shall procure that the Selected Invitees for which it acts as Representing Participating Bidder will comply with the foregoing obligations.~~

Capitalised terms used in this letter but not defined herein shall have the same meaning given to them in the Default Management Auction Rules or the Clearing Conditions of Eurex Clearing AG.

[...]

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[...]

2.5 Substitution of Participating DMC Member Institution by an affiliated Non-Clearing Member or Registered Customer

Each Participating DMC Member Institution may by giving not less than 30 calendar days' prior written notice request its substitution by an affiliated Non-Clearing Member or Registered Customer. Upon acceptance of such substitution by Eurex Clearing AG, which acceptance shall not be unreasonably withheld, the relevant Eligible Clearing Member shall cease to be a Participating DMC Member Institution and the affiliated Non-Clearing Member or Registered Customer shall instead become a Participating DMC Member Institution ~~(and shall be obliged to sign the Agreement for the Participation in a Default Management Committee (Annex 1) applicable to Non-Clearing Members and Registered Customers in the form provided by Eurex Clearing AG).~~ If such affiliated Non-Clearing Member or affiliated Registered Customer does not comply with its obligations under such agreement, the relevant Eligible Clearing Member remains responsible for the fulfillment of its obligations under the DMC Rules.

[...]

# Appendix 1

## Agreement

for the Participation in a Default Management Committee



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**DEFAULT MANAGEMENT COMMITTEE RULES**

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[...]

**WHEREAS:**

[...]

(F) When selected as Participating DMC Member Institution pursuant to the DMC Rules, the Clearing Member is obliged to nominate one of its employees or an employee of an Affiliate as DMC Member and another one of its employees or another employee of an Affiliate as DMC Deputy pursuant to the DMC Rules. The Participating DMC Member Institution is obliged to make the nominated DMC Member (or its DMC Deputy) available to Eurex Clearing AG for the purposes set out in the DMC Rules and pursuant to this Agreement.

(G) If a Participating DMC Clearing Member Institution requested its substitution by an affiliated Non-Clearing Member or Registered Customer in accordance with Number 2.5 of the DMC Rules and Eurex Clearing AG accepted such substitution, any reference to the Clearing Member in this Agreement and within the DMC Rules shall be read as references to the relevant Non-Clearing Member or Registered Customer.

[...]

**5 Limitation of Clearing Member's direction rights**

5.1 The Clearing Member and Eurex Clearing AG agree for the period of an a DMC Activity that,

[...]

5.1.4 during a DMC Activity with respect to any DMC Member or the DMC Deputy ~~only~~ the compliance rules and restrictions as well as all other code of conduct and organisational requirements of Eurex Clearing AG as well as the DMC Rules and the Clearing Conditions shall apply.

[...]

**6 Confidentiality**

6.1 Except as expressly contemplated otherwise in this Agreement or as required by applicable law, court order, regulation or as required or requested by any regulatory, self-regulatory or supervisory authority having appropriate jurisdiction, the Clearing Member agrees (i) not to disclose any Confidential Information (as defined below) and (ii) not to use any such Confidential Information for its own benefit or the benefit of any third party. The Clearing Member's obligation under this Clause 6.1 shall continue to apply until the earlier of two years after (i) the end of the employment relationship with the DMC Member and/or the DMC Deputy nominated by the Clearing Member or the employment relationship of its Affiliate with the DMC Member and/or the DMC Deputy, (ii) the termination of this Agreement and (iii) the

**DEFAULT MANAGEMENT COMMITTEE RULES**

DMC Term with respect to which the Confidential Information was obtained during the respective DMC Activity.

- 6.2 The Clearing Member represents and warrants by way of an independent guarantee and irrespective of fault (*selbständiges, verschuldensunabhängiges Garantieverprechen*) that the DMC Member or the DMC Deputy and, if the DMC Member or the DMC Deputy is employed by an Affiliate, such Affiliate is obliged to keep confidentiality vis-a-vis all third parties with respect to Confidential Information (as defined below). The Clearing Member undertakes to keep up this confidentiality obligation (and procures that such confidentiality obligation is kept up) until the earlier of two years after (i) the end of the employment relationship with the DMC Member or the DMC Deputy or the employment relationship of the Affiliate with the DMC Member or the DMC Deputy, (ii) the termination of this Agreement and (iii) the DMC Term with respect to which the Confidential Information was obtained during the respective DMC Activity.
- 6.3 The Clearing Member shall direct (or, if the Clearing Member is not the employer of the DMC Member or its DMC Deputy shall use reasonable endeavours to ensure that its employer directs) the DMC Member or the DMC Deputy (i) not to disclose any Confidential Information (as defined below) to the Clearing Member (and, if different to the Clearing Member, the employer of the DMC Member and/or the DMC Deputy) and to third parties and (ii) not to use any Confidential Information for its own benefit or the benefit of the Clearing Member (and, if different to the Clearing Member, the employer of the DMC Member and/or the DMC Deputy) or for the benefit of any third parties.
- ~~6.4 The Clearing Member's obligation under Clause 6.1 above shall continue to apply until the earlier of two years after (i) the end of the employment relationship with the DMC Member and/or the DMC Deputy nominated by the Clearing Member or the employment relationship of its Affiliate with the DMC Member and/or the DMC Deputy, (ii) the termination of this Agreement and (iii) the DMC Term with respect to which the Confidential Information was obtained during the respective DMC Activity.~~
- 6.45 The Clearing Member shall indemnify Eurex Clearing AG for all damages resulting from any intentional (*vorsätzlich*) or grossly negligent (*grob fahrlässig*) breach by the DMC Member or the DMC Deputy of the confidentiality obligation set forth in Clause 6.2 and the direction set forth in Clause 6.3.
- 6.56 Subject to compliance with the terms of this Clause 6, the Clearing Member is not prevented from carrying out any transactions in respect of investments, provided that the Clearing Member does not make use of any Confidential Information obtained from the DMC Member or the DMC Deputy nominated by it in breach of the DMC Member's or the DMC Deputy's confidentiality obligations.
- 6.6 The relevant DMC Member or the DMC Deputy shall be entitled to disclose Confidential Information to employees working in the compliance departments of the Clearing Member or (if the Clearing Member is not the employer of the DMC Member or its DMC Deputy) the Affiliate, provided that such disclosure is required to ensure compliance with internal compliance requirements of the Clearing Member or (if the Clearing Member is not the

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**DEFAULT MANAGEMENT COMMITTEE RULES**

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employer of the DMC Member or its DMC Deputy) the Affiliate. Clauses 6.2 to 6.4 shall apply accordingly with respect to such employees working in the compliance departments.

[...]

**8 Term**

8.1 This Agreement shall remain in effect until all Clearing Agreements with the Clearing Member have been terminated, in which case this Agreement will terminate at the same time.

8.2 Eurex Clearing AG and the Clearing Member may terminate this Agreement at any time. Such termination requires a written notice to the Clearing Member or to Eurex Clearing AG, respectively, with a prior notice period of 30 days.

**9 Amendments**

9.1 Eurex Clearing AG reserves the right to amend this Agreement in accordance with Chapter I Part 1 Number 17.2 of the Clearing Conditions.

9.2 The Clearing Member accepts each change and amendment to the DMC Rules and this Agreement, unless it objects by sending a written notice to Eurex Clearing AG within the Regular Notification Period or the Prolonged Notification Period, as applicable. Eurex Clearing AG will inform the Clearing Member of the effects of such approval in the relevant publication of such changes and amendments. The right to terminate the Agreement pursuant to Clause 8.2 shall remain unaffected.

[...]

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